

# **Charter Township of Plymouth Wayne County, Michigan**

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**Comprehensive Annual Financial Report  
for the Fiscal Year Ended  
December 31, 2006**

Prepared by the Charter Township of Plymouth

# Charter Township of Plymouth

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# Charter Township of Plymouth

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June 6, 2007

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

With this letter, we formally transmit the Charter Township of Plymouth, Michigan's Comprehensive Annual Financial Report (CAFR) for the 2006 fiscal year. This report has been prepared pursuant to, and in compliance with State of Michigan statutes that require the Township to publish within six months of the close of the fiscal year a complete set of financial statements in compliance with accounting principles generally accepted in the United States of America.

The financial statements have been prepared by the treasurer's department for the purpose of disclosing the Township's financial condition to its citizens, elected officials, businesses, intergovernmental partners, and other interested parties. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established. In maintaining and improving the Township's accounting and financial reporting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability of Township assets. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived and (2) the valuation of the costs and benefits requires estimates and judgments by management. Internal accounting controls will not provide absolute assurance.

This letter is designed to introduce the financial report and provide information that would be useful in assessing the Township's financial condition. In addition, the financial statements include a narrative introduction, overview, and analysis in the form of a management's discussion and analysis (MD & A) which should be read in conjunction with this letter.

## **The Charter Township of Plymouth**

The Charter Township of Plymouth, located in Western Wayne County in southeastern Michigan along the high technology corridor of I-275 and M-14, finds itself strategically situated approximately halfway between downtown Detroit and the city of Ann Arbor. It currently occupies approximately 16.8 square miles and serves a population of 27,100. Plymouth Township prides itself with having one of the lowest overall tax rates in southeastern Michigan while providing necessary quality of life services citizens and business desire and demand.

The Charter Township of Plymouth operates under the township form of government. Policy making and legislative authority are vested with a board of trustees which consist of seven elected members: a full-time supervisor, clerk, and treasurer along with four part-time trustees. They all serve four-year terms with elections coinciding with the United States presidential elections.

## **Public Facilities**

The Township moved into its new municipal complex during the summer. This is the culmination of six years of planning and construction. The 53,000 square feet houses its government, police, and fire operations. This consolidated operations that were previously located in five separate buildings and two locations into two buildings at one location. This has had a tremendous improvement on citizen services.

## **Component Units**

The Charter Township of Plymouth includes in its financial statements two discretely presented component units. They are the Downtown Development Authority and the Brownfield Redevelopment Authority. The Downtown Development Authority captures incremental tax revenues that are used for improvement within the district along Ann Arbor Road. The Brownfield Redevelopment Authority captures incremental tax revenues that are used for environmental remediation at approved sites throughout the Township.

## **Budgetary and Accounting Controls**

The Charter Township of Plymouth Board of Trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act, P.A. 621 of 1978. The Township's fiscal year is January through December. The annual budget is adopted by December for the subsequent year. The Township Board of Trustees adopts appropriations on a function basis. The budget is prepared by fund, department, and function basis. Michigan law requires expenditures to be within budget at this level. Unexpended appropriations lapse at year end. The Township Board of Trustees must approve all budget amendments made throughout the year.

## **Local Economy**

Major employers located within the community include automobile component suppliers, automobile dealers, food distributors, financial institutions, and educational institutions. The community saw an increase of commercial and industrial occupancies during 2006. From Karman Industries moving into a new 153,000 square foot facility and Robert Bosch Corporation near completion of a \$45 million complex, the Township realized numerous occupancies of previously vacant facilities.

Because of the location within the region and types of employers within the community, the Township has experienced unemployment rates below the State of Michigan's overall rate. Over the past 10 years, unemployment within the community has been around 3 percent. This is primarily the result of citizens within the community being highly trained and educated.

## **Long-term Financial Planning**

The Charter Township of Plymouth's unreserved, undesignated fund balance in the General Fund fell below the recommended percentage of between 10 percent and 20 percent of total General Fund expenditures. The anticipated balance is the result of the capital expenditure for a new Township complex. At a percentage of 7 percent, the Township has been very cautious in filling positions due to attrition. Approximately 80 percent of General Fund expenditures are employee related. It is anticipated that the General Fund balance will be within the recommended percentage by the end of the 2007 calendar year.

During the year, the Charter Township of Plymouth began construction of a \$1.9 million elevated water tank to relieve low water pressures on the west side of the community. The project is being financed with current cash reserves within the Water and Sewer Fund. The Township also sold \$995,000 of bonds in December to finance its portion of the Sheldon Road underpass. This project is expected to take two years to complete and will relieve traffic congestion due to train traffic.

## **Cash Management Policies and Practices**

The Township's investment policy includes the legal requirements for municipalities covered under Michigan Public Act No. 20 of 1943, as amended December 1997. We maximize the use of funds and ultimately try to increase the return on our dollars while minimizing risk. Investments are placed with institutions that are deemed to provide minimal risk to Township assets. Our investment portfolio currently consists of authorized pooled funds and money market funds, in compliance with the Township's investment policy and Public Act 20, as amended.

## **Risk Management**

The Charter Township of Plymouth is a member of the Michigan Municipal Risk Management Authority (MMRMA). The MMRMA is a self-insured association with a membership of approximately 315 State of Michigan local governmental units. It provides risk management, claims administration, legal defense, and reinsurance services for its members. As a member of MMRMA, the Township has liability coverage of up to \$15,000,000 per occurrence. Our self-insured retention for liability is \$75,000 per occurrence. We are actively involved in risk control through supervisory and employee training, facilities inspections, and utilization of the MMRMA risk control staff.

## **Pension and Other Postemployment Benefits**

The Charter Township of Plymouth participates in both defined contribution and defined benefit pension plans that covers substantially all full-time employees. It is required for employees to contribute to the retirement plan in which they participate. Contributions are based on contractual agreements or policies adopted by the Township. The defined contribution plan is through John Hancock Life Insurance. The defined benefit pension plan, which covers members of the Command Officers of Michigan, Police Officers of Michigan, International Association of Fire Fighters, and four full-time employees of the Township, is with the Michigan Municipal Employees' Retirement System (MMERS). Required contributions are determined as a part of an annual actuarial valuation. As of December 31, 2006, the ratio of present assets to actuarial accrued liabilities are presented in Note 10 of the notes to the financial statements. The Charter Township of Plymouth also provides postretirement health care benefits for certain retirees and their dependents. As of the end of the current fiscal year, there were 23 retired employees receiving these benefits. Additional information pertaining to the Township's pension and postemployment benefits can be found in Notes 9, 10, and 11 of the notes to the financial statements.

## **Independent Audit**

The Township's financial statements have been audited by Plante & Moran, PLLC. The purpose of an independent audit is to provide reasonable assurance that the financial statements are free of material misrepresentation. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall financial statement presentation. The audit concluded that there was a reasonable basis for rendering an "unqualified opinion" on the Charter Township of Plymouth's financial statements for the 2006 calendar year.

This is the best opinion an auditor can give on financial statements he or she has audited.



To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 6, 2007

### **Awards and Recognition**

The Charter Township of Plymouth continues to demonstrate financial responsibility. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Plymouth for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2005. This is the fourth consecutive year that the Township has received this prestigious award.

### **Acknowledgments**

The preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the treasurer's department and the various department heads and employees who contributed and assisted in its preparation. I wish to thank each one of you for your support of the Township's financial operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Edwards". The signature is fluid and cursive, with a large initial "R" and "E".

Ron Edwards  
Treasurer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter Township of Plymouth  
Michigan

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

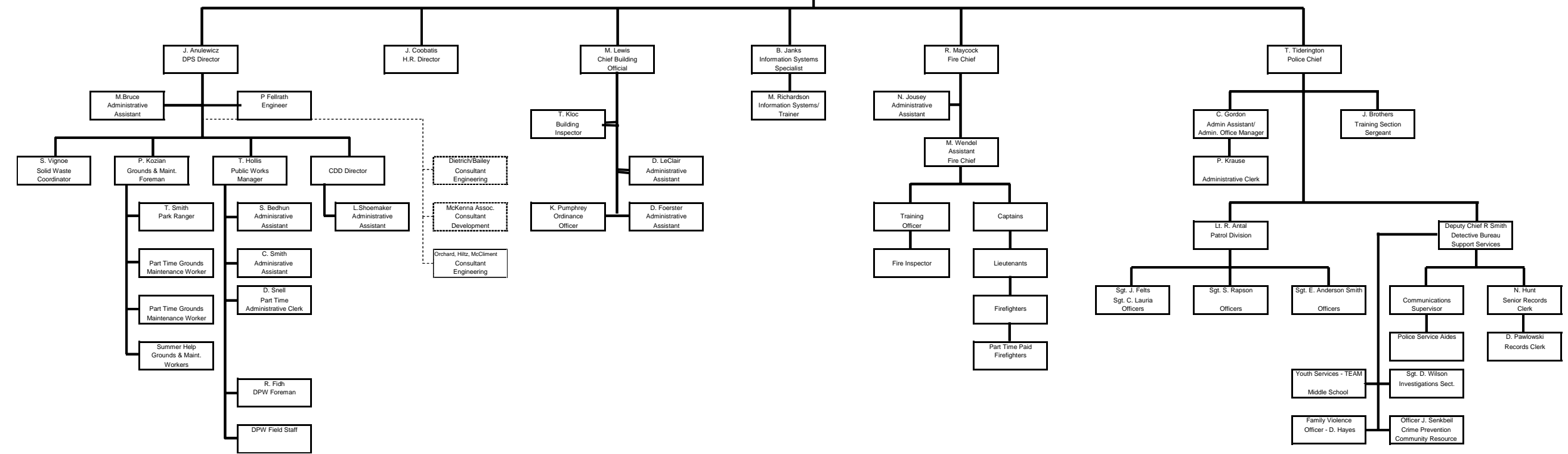
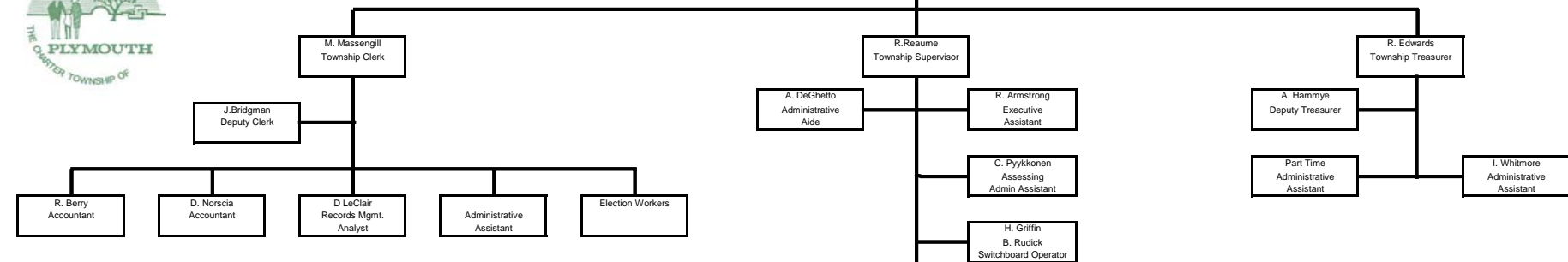
Executive Director

Charter Township of Plymouth  
Organizational Flowchart  
December 2006



**Board of Trustees**  
R. Reaume, Supervisor  
M. Massengill, Clerk  
R. Edwards, Treasurer  
K. Arnold, Trustee  
C. Curmi, Trustee  
R. Doroshewitz, Trustee  
S. Mann, Trustee

Dietrich/Bailey Consultant Engineering  
McKenna Assoc. Consultant Development  
Wayne Cnty Appraisal Consultant Assessment  
Plante & Moran Auditors  
Lange & Cholack Consultant Labor Law  
H. P. C. S. & W. Consultant General Counsel



# Charter Township of Plymouth

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## List of Principal Officials

### Supervisor's Office

Supervisor  
Human Resource Director

Richard Reaume  
Joann Coobatis

### Clerk's Office

Clerk  
Deputy Clerk

Marilyn Massengill  
Joseph Bridgman

### Treasurer's Office

Treasurer  
Deputy Treasurer

Ron Edwards  
Amy Hammye

### Building Department

Mark Lewis

### Fire Department

Fire Chief  
Assistant Fire Chief

Randolph Maycock  
Mark Wendel

### Information Services

Robert Janks

### Public Services Division

Director  
Department of Public Works and Parks  
Engineer  
Solid Waste/Recreation Coordinator  
Park Manager

James D. Anulewicz  
Tony Hollis  
Patrick Fellrath  
Susan Vignoe  
Phil Koziar

### Police Department

Police Chief  
Police Deputy Chief

Thomas Tiderington  
Robert Smith

# Charter Township of Plymouth

## Summary of Personnel Positions December 31, 2006

	<u>Full-time</u>	<u>Part-time</u>
<b>Supervisor's Office</b>	3	-
<b>Human Resources</b>	1	-
<b>Information Services</b>	2	2
<b>Assessing</b>	1	-
<b>Clerk's Office</b>	5	1
<b>Treasurer's Office</b>	2	3
<b>Building Department</b>		
Official's Office	3	-
Ordinance/Inspections	2	-
Facility Maintenance	1	-
<b>Department of Public Services</b>		
Director's Office	2	-
Waste Management	1	-
Community Development	1	-
Public Works	10	1
Parks	2	-
<b>Public Safety</b>		
Fire	28	6
Police	45	-
	<u>45</u>	<u>-</u>
<b>Total employees</b>	<u><u>109</u></u>	<u><u>13</u></u>

# Charter Township of Plymouth

## Labor Agreements December 31, 2006

Bargaining Unit	Expiration Date	Number of Employees
<b>Command Officers Association of Michigan -</b> Sergeants	12/31/08	6
<b>Police Officers Association of Michigan -</b> Represents police officers and dispatchers	12/31/08	31
<b>International Association of Firefighters -</b> Represents firefighters	3/31/06	25
<b>American Federation of State, County, and Municipal Employees -</b> Represents administrative assistant, facilities maintenance employees, building inspectors, and ordinance officers	12/31/08	28
<b>Teamsters -</b> Represents public works employees	12/31/09	7
Total		<u>97</u>

# Charter Township of Plymouth

## Fund Organization Chart December 31, 2006 (Unaudited)

<u>Fund Name</u>	<u>Fund Number</u>
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Solid Waste Disposal	226
Water and Sewer	592
Special Assessment District	805
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Trust and Agency	701
Tax Collections	703



**Plante & Moran, PLLC**  
27400 Northwestern Highway  
P.O. Box 307  
Southfield, MI 48037-0307  
Tel: 248.352.2500  
Fax: 248.352.0018  
plantemoran.com

## Independent Auditor's Report

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Plymouth as of and for the year ended December 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Plymouth's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Plymouth as of December 31, 2006 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Plymouth's basic financial statements. The management's discussion and analysis and the major fund budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. The introductory section, other supplemental information, and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.



To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

The budgetary comparison schedules, combining balance sheets, and combining statements of revenue, expenditures, and changes in fund balance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. We have applied certain limited procedures to the management's discussion and analysis, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it. The introductory section and statistical section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Plante & Moran, PLLC*

May 31, 2007

# **Charter Township of Plymouth**

## **Management's Discussion and Analysis**

As management of the Charter Township of Plymouth, we offer readers of the Charter Township of Plymouth's financial statements this narrative overview and analysis of the financial activities of the Charter Township of Plymouth for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal which can be found on pages (i-v) and the Township's financial statements following the management's discussion and analysis (MD&A). All amounts, unless otherwise indicated, are expressed in dollars.

The MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts. The discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Township's financial activity, (3) identify changes in the Township's financial position, (4) identify any material deviations from the approved budget, and (5) identify individual fund issues or concerns.

### **Financial Highlights**

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2006:

- Property taxes, our largest revenue source, increased substantially over 2005. The increase is due to the citizens approving a police/fire millage renewal and a police/fire increase in August 2005. In addition, property taxes increased due to the rate of inflation factor under state law. The continuation of commercial properties disputing their taxable values and having them reduced has affected property tax revenues by approximately \$0.1 million. This is expected to continue for the near future.
- State-shared revenue, our second largest revenue source, was again reduced by the State of Michigan. The cumulative effect since 2002 is approximately \$3,300,000 in lost revenue. It is expected to continue to decline due to the economic condition of the State.
- Contributions from the City of Plymouth for fire and dispatch services were decreased by \$99,000 over 2005. This was attributable to not hiring firefighters to replace positions left vacant by retirements. Township expenditures were approximately \$300,000 under budget due to the vacancies.
- The Charter Township of Plymouth sold approximately 1.25 acres of the 4+ acres of the former municipal offices for \$2,000,000 in December 2006. The remaining property will be sold at a later date.
- Water and sewer operating loss is \$990,596. The loss is due to a reduction in water usage of approximately 11 percent from 2005. The Township will seek a rate increase for the upcoming year due to the continued rate increases from Detroit Water and Sewer (29.3 percent) and Ypsilanti Township Utility Authority.

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

### Using this Annual Report

This annual report consists of a series of financial statements. The statement of net assets (deficit) and the statement of activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

### Governmental Activities

Many of the Township's basic services provided to the community are included here. They are fire/paramedic service, police/dispatch service, parks, building, community development, and general administration. Most of the funding is provided by property taxes, state-shared revenue, charges for service, and agreements.

The following tables show, in a condensed format, the current year's net assets and changes in net assets, compared to the prior two years:

	2004	2005	2006	Change from Prior Year	
				in Dollars	Percent
<b>Assets</b>					
Current assets	\$ 18,563,000	\$ 16,724,000	\$ 12,901,000	\$ (3,823,000)	(23)
Investment in joint venture	786,000	495,000	487,000	(8,000)	(2)
Capital assets	<u>11,597,000</u>	<u>15,238,000</u>	<u>20,094,000</u>	<u>4,856,000</u>	32
Total assets	30,946,000	32,457,000	33,482,000	1,025,000	3
<b>Liabilities</b>					
Current liabilities	8,700,000	11,151,000	9,777,000	(1,374,000)	(12)
Long-term liabilities	<u>7,896,000</u>	<u>7,631,000</u>	<u>8,367,000</u>	<u>736,000</u>	10
Total liabilities	<u>16,596,000</u>	<u>18,782,000</u>	<u>18,144,000</u>	<u>(638,000)</u>	(3)
<b>Net Assets</b>					
Invested in capital assets -					
Net of related debt	8,342,000	8,079,000	12,197,000	4,118,000	-
Restricted	49,000	3,000	50,000	47,000	1,567
Unrestricted	<u>5,959,000</u>	<u>5,593,000</u>	<u>3,091,000</u>	<u>(2,502,000)</u>	(45)
Total net assets	<u>\$ 14,350,000</u>	<u>\$ 13,675,000</u>	<u>\$ 15,338,000</u>	<u>\$ 1,663,000</u>	12

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

The Township's governmental activities net assets total approximately \$15.3 million. This is an increase over 2005 of approximately \$1.6 million. The most significant change in assets and liabilities was due to the construction of the new Township hall/police and fire facilities, into which the Township moved during the summer of 2006.

	2004	2005	2006	Change from Prior Year	
				in Dollars	Percent
<b>Revenue</b>					
Program revenue:					
Charges for services	\$ 2,864,000	\$ 4,497,000	\$ 2,727,000	\$ (1,770,000)	(39)
Operating grants and contributions	316,000	449,000	215,000	(234,000)	(52)
Capital grants and contributions	66,000	5,000	13,000	8,000	160
General revenue:					
Property taxes	5,642,000	6,028,000	7,644,000	1,616,000	27
State-shared revenues	2,049,000	2,030,000	2,009,000	(21,000)	(1)
Investment earnings	278,000	461,000	494,000	33,000	7
Cable franchise agreement	295,000	317,000	343,000	26,000	8
Golf course agreement	350,000	350,000	111,000	(239,000)	(68)
Gain on sale of assets	-	-	1,445,000	1,445,000	100
Total revenue	11,860,000	14,137,000	15,001,000	864,000	6
<b>Program Expenses</b>					
General government	2,438,000	2,278,000	2,400,000	122,000	5
Public safety	8,335,000	8,806,000	8,394,000	(412,000)	(5)
Building inspections	617,000	534,000	507,000	(27,000)	(5)
Planning and zoning	455,000	405,000	424,000	19,000	5
Public works	665,000	1,986,000	854,000	(1,132,000)	(57)
Community services	84,000	20,000	33,000	13,000	65
Parks	401,000	468,000	421,000	(47,000)	(10)
Interest on long-term debt	205,000	315,000	305,000	(10,000)	(3)
Total program expenses	13,200,000	14,812,000	13,338,000	(1,474,000)	(10)
<b>Change in Net Assets</b>	<b>\$ (1,340,000)</b>	<b>\$ (675,000)</b>	<b>\$ 1,663,000</b>	<b>\$ 2,338,000</b>	

The Township's total governmental revenues were nearly \$15 million, an increase of approximately \$0.8 million. Property taxes increased by \$1.6 million due to an increase in the tax rate voted on by the citizens in August 2005 and the inflation factor set by the State of Michigan for taxable values. While property taxes increased significantly, other revenue was down due to a one-time construction project at the Township.

Expenses decreased during the year primarily due to a one-time expense incurred in 2005 attributable to the new facilities.

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

### Business-type Activities

The Township's business-type activities consist of the Water and Sewer Fund, Solid Waste Disposal Fund, and Special Assessment Fund. The Township provides water to residents from the Detroit Water System. We provide sewage treatment through the Western Townships Utilities Authority, which collects sewage, equalizes it, and sends it to both the Detroit sewage treatment plant and the Ypsilanti Community Utilities Authority sewage treatment plant. The Special Assessment Fund was created to account for revenues and expenses for certain special assessments (road pavings and sidewalk repairs) requiring separate accounting and financing.

The following tables show the current year's net assets and changes in net assets, compared to the prior two years (rounded to the nearest thousand):

	2004	2005	2006	Change from Prior Year	
				in Dollars	Percent
<b>Assets</b>					
Current assets	\$ 15,396,000	\$ 13,386,000	\$ 11,498,000	\$ (1,888,000)	(14)
Investment in joint venture	38,763,000	39,301,000	39,373,000	72,000	-
Capital assets	<u>33,297,000</u>	<u>34,743,000</u>	<u>35,942,000</u>	<u>1,199,000</u>	3
Total assets	87,456,000	87,430,000	86,813,000	(617,000)	(1)
<b>Liabilities</b>					
Current liabilities	2,512,000	2,983,000	3,334,000	351,000	12
Long-term liabilities	<u>33,981,000</u>	<u>32,521,000</u>	<u>31,056,000</u>	<u>(1,465,000)</u>	(5)
Total liabilities	<u>36,493,000</u>	<u>35,504,000</u>	<u>34,390,000</u>	<u>(1,114,000)</u>	-
<b>Net Assets</b>					
Invested in capital assets -					
Net of related debt	33,297,000	34,743,000	35,941,000	1,198,000	3
Unrestricted	<u>17,666,000</u>	<u>17,183,000</u>	<u>16,482,000</u>	<u>(701,000)</u>	(4)
Total net assets	<u>\$ 50,963,000</u>	<u>\$ 51,926,000</u>	<u>\$ 52,423,000</u>	<u>\$ 497,000</u>	1

The Township's business activities' net assets total \$52.5 million. This is an increase over 2005 of \$0.5 million. The increase is attributable to water and sewer operations of \$0.2 million, \$0.1 million in solid waste disposal operations, and \$0.2 million in special assessment operations.

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

	2004	2005	2006	Change from Prior Year	
				in Dollars	Percent
<b>Program Revenue</b>					
Charges for services:					
Water and sewer	\$ 8,659,000	\$ 9,065,000	\$ 9,595,000	\$ 530,000	6
Rubbish	1,104,000	1,219,000	1,268,000	49,000	4
Special assessments	368,000	557,000	129,000	(428,000)	(77)
Capital contributions -					
Water and sewer	1,495,000	1,402,000	672,000	(730,000)	(52)
General revenue - Interest income	240,000	539,000	633,000	94,000	17
Total revenue	11,866,000	12,782,000	12,297,000	(485,000)	(4)
Program expenses:					
Water and sewer	9,131,000	9,955,000	10,581,000	626,000	6
Rubbish	1,169,000	1,196,000	1,158,000	(38,000)	(3)
Special assessments	453,000	668,000	61,000	(607,000)	(91)
Total program expenses	10,753,000	11,819,000	11,800,000	(19,000)	-
<b>Change in Net Assets</b>	<b>\$ 1,113,000</b>	<b>\$ 963,000</b>	<b>\$ 497,000</b>	<b>\$ (466,000)</b>	<b>(48)</b>

In 2006, business-type activities revenues totaled \$12.30 million, a decrease of \$0.50 million from 2005. The decrease is attributable to special assessments for road and sidewalks of \$0.4 million since the Township did not have a major project during the year. Expenses for business-type activities totaled \$11.8 million, showing no increase from 2005. There was an increase in water expenses due to increases in water and sewage costs by \$0.1 million while other expenses in water operations were increased by \$0.5 million. This was offset by a decrease of \$0.5 million in special assessments expenses due to no major projects for the year.

### The Township's Funds

Our analysis of the Township's major funds follows the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as specific property tax millages. The Township's major funds for 2006 include the General Fund, the Improvement Revolving Fund, Water and Sewer Fund, and Solid Waste Fund.

# **Charter Township of Plymouth**

## **Management's Discussion and Analysis (Continued)**

### **Governmental Funds**

#### **General Fund Budgetary Highlights**

Over the course of the year, the Township amended the budget to take into account events during the year. The most significant changes were a decrease in property taxes of approximately \$0.2 million due to property tax appeals and an increase in capture by the Downtown Development Authority, a \$1.9 million increase in expenditures to fund the building of township facilities due to construction delay, and \$0.2 million reduction in grants. Township departments overall stayed below the final amended budget by \$1.0 million, resulting in total expenditures of \$15.1 million.

#### **Improvement Revolving Highlights**

The Township amended the budget during the year due to construction of the township hall facilities. The most significant changes were sale of capital assets reduction of \$1 million of revenue, due to only a partial sale of the former township facilities and the increase of capital outlay expenditures of \$1.8 million due to the facilities being behind in construction.

The increase for transfer for other funds of \$2.1 million was for financing the remainder of the township hall facilities. This was necessary due to only a portion of the former facilities being sold.

### **Business-type Funds**

#### **Water and Sewer Fund**

The Water and Sewer fund experienced a \$0.2 million increase in net assets. The increase is due to depreciation, a noncash expense, and lines constructed by developers.

#### **Capital Asset and Debt Administration**

##### **Capital Assets**

As of the year end, the Township had \$56 million invested in a variety of capital assets, including buildings, fire and police equipment, and water and sewer lines. This represents a net increase (additions less retirements, and depreciation) of over \$6 million, with the major addition being the construction and completion of the new township hall facilities. Roads within the Township are accounted for and maintained by the County of Wayne. A summary of capital assets is presented on page 34 in Note 5 of the notes to financial statements.

# **Charter Township of Plymouth**

## **Management's Discussion and Analysis (Continued)**

### **Debt Outstanding**

At the end of the current fiscal year, the Charter Township of Plymouth had total bonded debt outstanding of \$40.3 million, down from \$41.1 million in 2005. As of year end, the Township had \$40.3 million in debt outstanding compared to \$41.1 million last year, a decrease of \$0.8 million. In December, the Township issued \$1.0 million in bonds to finance its share of the Sheldon Road Underpass project. During the year, the Township retired \$1.4 million of outstanding water and sewer bonds.

A significant portion of the Township's debt (\$32 million) is attributable to business-type activities (water and sewer). A summary of long-term debt is presented starting on page 38 in Note 7 of the notes to financial statements.

### **Economic Factors**

Southeastern Michigan is very dependent on the automotive industry. With the financial difficulties that General Motors, Ford Motor Company, and Chrysler Corporation are continuing to experience, it has had a ripple effect on their suppliers. Plymouth Township has many automotive suppliers located within the community. These suppliers continue to go through reorganizations and cost reductions to stay in business. This has led to property tax appeals and a reduction in community giving, thus making it very difficult to deliver basic services to the community when overall revenues are on a decline.

The State of Michigan relies on various taxes and fees to provide governmental activities to its citizens. Local governments rely primarily on property taxes and state-shared revenues to provide governmental activities to their citizens. For business-type (water and sewer, solid waste disposal, special assessments) and certain governmental activities (permitting, development), the user pays a related fee or charge associated with the service. Due to the economy in Michigan, people are consuming less water and requesting fewer development/building services. This has created a strain on budgeting resources for these activities.

### **Contacting the Township's Management**

The Charter Township of Plymouth's financial statements are designed to provide our citizens, elected officials, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Treasurer, Charter Township of Plymouth, 9955 Haggerty Road, Plymouth, MI 48170.



# Charter Township of Plymouth

## Statement of Net Assets (Deficit) December 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments (Note 3)	\$ 3,210,390	\$ 9,190,135	\$ 12,400,525	\$ 302,616
Receivables - Net:				
2006 property taxes	5,961,393	181,869	6,143,262	609,362
Special assessments	45,127	1,025,307	1,070,434	-
Accounts	-	2,136,227	2,136,227	-
Other	1,035,780	91,244	1,127,024	-
Internal balances	1,143,123	(1,188,250)	(45,127)	-
Advances to Downtown Development Authority	997,706	-	997,706	-
Due from other governmental units	507,348	-	507,348	-
Prepaid costs and other assets	-	61,475	61,475	-
Investment in joint venture (Note 1):				
Western Townships Utilities Authority (WTUA)	-	39,372,967	39,372,967	-
35th District Courthouse Authority	487,000	-	487,000	-
Nondepreciable capital assets (Note 5)	3,750,661	2,165,509	5,916,170	-
Depreciable capital assets - Net (Note 5)	16,343,641	33,775,995	50,119,636	-
<b>Total assets</b>	<b>33,482,169</b>	<b>86,812,478</b>	<b>120,294,647</b>	<b>911,978</b>
<b>Liabilities</b>				
Accounts payable	495,505	1,776,705	2,272,210	18,852
Accrued and other liabilities	529,176	33,594	562,770	-
Unearned revenue (Note 4)	7,885,309	-	7,885,309	336,410
Due to other governmental units	-	-	-	52,280
Advances from Plymouth Township	-	-	-	997,706
Compensated absences:				
Due within one year	581,328	51,212	632,540	-
Due in more than one year	755,559	82,448	838,007	-
Long-term debt (Note 7):				
Due within one year	285,356	1,472,413	1,757,769	-
Due in more than one year	7,611,497	30,973,098	38,584,595	-
<b>Total liabilities</b>	<b>18,143,730</b>	<b>34,389,470</b>	<b>52,533,200</b>	<b>1,405,248</b>
<b>Net Assets (Deficit)</b>				
Invested in capital assets - Net of related debt	12,197,449	35,941,504	48,138,953	-
Restricted for drug enforcement	50,417	-	50,417	-
Unrestricted	3,090,573	16,481,504	19,572,077	(493,270)
<b>Total net assets (deficit)</b>	<b>\$ 15,338,439</b>	<b>\$ 52,423,008</b>	<b>\$ 67,761,447</b>	<b>\$ (493,270)</b>

# Charter Township of Plymouth

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 2,400,235	\$ 179,639	\$ -	\$ -
Public safety:				
Police	3,903,781	160,569	182,892	-
Fire	3,580,155	1,044,466	-	-
Dispatching	910,488	382,319	-	-
Building inspections (Note 2)	506,651	793,343	-	-
Planning and zoning	423,532	167,019	-	-
Public works	853,971	-	-	12,792
Community services	33,294	-	24,340	-
Parks	420,850	-	7,500	-
Interest on long-term debt	305,061	-	-	-
Total governmental activities	<u>13,338,018</u>	<u>2,727,355</u>	<u>214,732</u>	<u>12,792</u>
Business-type activities:				
Water and sewer	10,580,511	9,594,616	-	671,930
Special assessments	61,057	129,209	-	-
Rubbish disposal	1,157,581	1,268,210	-	-
Total business-type activities	<u>11,799,149</u>	<u>10,992,035</u>	<u>-</u>	<u>671,930</u>
Total primary government	<u>\$ 25,137,167</u>	<u>\$ 13,719,390</u>	<u>\$ 214,732</u>	<u>\$ 684,722</u>
Component units:				
Downtown Development Authority	\$ 210,345	\$ -	\$ -	\$ -
Economic Development Corporation	17,220	-	-	-
Brownfield Redevelopment Authority	76,561	-	-	-
Total component units	<u>\$ 304,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Property taxes				
State-shared revenues				
Investment earnings				
Cable franchise agreement				
Golf course agreement				
Gain (loss) on sale of assets				
Total general revenues				
<b>Change in Net Assets</b>				
<b>Net Assets (Deficit) - Beginning of year</b>				
<b>Net Assets (Deficit) - End of year</b>				

**Statement of Activities  
Year Ended December 31, 2006**

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (2,220,596)	\$ -	\$ (2,220,596)	\$ -
(3,560,320)	-	(3,560,320)	-
(2,535,689)	-	(2,535,689)	-
(528,169)	-	(528,169)	-
286,692	-	286,692	-
(256,513)	-	(256,513)	-
(841,179)	-	(841,179)	-
(8,954)	-	(8,954)	-
(413,350)	-	(413,350)	-
(305,061)	-	(305,061)	-
(10,383,139)	-	(10,383,139)	-
-	(313,965)	(313,965)	-
-	68,152	68,152	-
-	110,629	110,629	-
-	(135,184)	(135,184)	-
(10,383,139)	(135,184)	(10,518,323)	-
-	-	-	(210,345)
-	-	-	(17,220)
-	-	-	(76,561)
-	-	-	(304,126)
7,644,192	-	7,644,192	568,702
2,008,623	-	2,008,623	-
493,779	632,542	1,126,321	6,323
343,335	-	343,335	-
111,319	-	111,319	-
1,444,905	(75)	1,444,830	-
12,046,153	632,467	12,678,620	575,025
1,663,014	497,283	2,160,297	270,899
13,675,425	51,925,725	65,601,150	(764,169)
<b>\$ 15,338,439</b>	<b>\$ 52,423,008</b>	<b>\$ 67,761,447</b>	<b>\$ (493,270)</b>

# Charter Township of Plymouth

## Governmental Funds Balance Sheet December 31, 2006

	General Fund	Improvement Revolving Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and investments (Note 3)	\$ 3,112,823	\$ 97,150	\$ 417	\$ 3,210,390
Receivables - Net:				
2007 property taxes	5,961,393	-	-	5,961,393
Other	-	971,050	64,730	1,035,780
Due from other funds (Note 6)	212,953	975,297	-	1,188,250
Advances to Downtown Development Authority	997,706	-	-	997,706
Due from other governmental units	507,348	-	-	507,348
<b>Total assets</b>	<b>\$ 10,792,223</b>	<b>\$ 2,043,497</b>	<b>\$ 65,147</b>	<b>\$ 12,900,867</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 415,440	\$ 80,065	\$ -	\$ 495,505
Accrued and other liabilities	407,285	925	-	408,210
Deferred revenue (Note 4)	7,975,079	-	14,730	7,989,809
<b>Total liabilities</b>	<b>8,797,804</b>	<b>80,990</b>	<b>14,730</b>	<b>8,893,524</b>
<b>Fund Balances</b>				
Reserved for D.D.A. loan repayment	997,706	-	-	997,706
Reserved for long-term due from other fund	-	975,297	-	975,297
Unreserved, reported in:				
General Fund	996,713	-	-	996,713
Special Revenue Funds	-	987,210	50,417	1,037,627
<b>Total fund balances</b>	<b>1,994,419</b>	<b>1,962,507</b>	<b>50,417</b>	<b>4,007,343</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,792,223</b>	<b>\$ 2,043,497</b>	<b>\$ 65,147</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds	20,094,302
Grants and other revenues not received within 60 days of year end are not available currently and are not reported in the funds	104,500
Long-term liabilities are not due and payable in the current period and are not reported in the funds	(7,896,853)
Interest amounts on long-term liabilities are not due and payable in the current period and are not reported in the funds	(966)
Compensated absences are not due and payable in the current period and are not recorded in the funds	(1,336,887)
Investment in joint venture is not a financial resource and is not reported in the funds	487,000
Self-insurance liabilities are not due and payable in the current period and are not reported in the funds	(120,000)
<b>Net assets of governmental activities</b>	<b>\$ 15,338,439</b>

# Charter Township of Plymouth

## Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended December 31, 2006

	General Fund	Improvement Revolving Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenue</b>				
Property taxes	\$ 7,644,192	\$ -	\$ -	\$ 7,644,192
Licenses and permits	953,336	-	-	953,336
Federal grants	38,971	12,792	-	51,763
State-shared revenues	2,008,623	-	-	2,008,623
City of Plymouth contribution	1,139,588	-	-	1,139,588
District Court fines	124,379	-	-	124,379
Interest and rents	580,039	79,469	40	659,548
Intragovernmental service charge	534,369	-	-	534,369
Other	940,165	-	232,099	1,172,264
Total revenue	13,963,662	92,261	232,139	14,288,062
<b>Expenditures</b>				
Current:				
General government	2,992,189	-	-	2,992,189
Public safety	8,431,042	-	184,373	8,615,415
Planning and building	895,970	-	-	895,970
Community social services	65,669	-	-	65,669
Parks	271,395	-	-	271,395
Capital outlay	-	6,043,256	-	6,043,256
Debt service	106,495	456,692	-	563,187
Total expenditures	12,762,760	6,499,948	184,373	19,447,081
<b>Excess of Revenue Over (Under) Expenditures</b>	1,200,902	(6,407,687)	47,766	(5,159,019)
<b>Other Financing Sources (Uses)</b>				
Transfers in (Note 6)	-	2,342,680	-	2,342,680
Transfers out (Note 6)	(2,342,680)	-	-	(2,342,680)
Sale of capital assets	-	2,000,000	-	2,000,000
Bond proceeds	-	995,000	-	995,000
Total other financing sources (uses)	(2,342,680)	5,337,680	-	2,995,000
<b>Net Change in Fund Balances</b>	(1,141,778)	(1,070,007)	47,766	(2,164,019)
<b>Fund Balances - Beginning of year</b>	3,136,197	3,032,514	2,651	6,171,362
<b>Fund Balances - End of year</b>	<u>\$ 1,994,419</u>	<u>\$ 1,962,507</u>	<u>\$ 50,417</u>	<u>\$ 4,007,343</u>

# Charter Township of Plymouth

## Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2006

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ (2,164,019)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay expenditures	6,356,531
Depreciation expense	(918,176)
In the statement of activities, the loss on sale of assets is recorded; in the funds, the proceeds from sale of assets are reported	(582,259)
Revenue reported in the statement of activities that does not provide current financial resources and is not reported as revenue in the governmental funds (GASB No. 33)	(130,027)
Equity interest in 35th District Courthouse Authority is not reported in the governmental funds	(8,000)
New bond issuance is a financing source in the governmental funds, but reported as a liability in the government-wide statements	(995,000)
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	257,175
Accrued interest payable is recorded when due in governmental funds	949
Accumulated employee sick and vacation pay, as well as estimated general liability claims, are recorded when earned in the statement of activities	<u>(154,160)</u>
<b>Change in Net Assets of Governmental Activities</b>	<b><u>\$ 1,663,014</u></b>

# Charter Township of Plymouth

## Proprietary Funds Statement of Net Assets December 31, 2006

	Water and Sewer Fund	Solid Waste Disposal Fund	Nonmajor Special Assessment District Fund	Total Proprietary Funds
<b>Assets</b>				
Current assets:				
Cash and cash equivalents (Note 3)	\$ 9,117,602	\$ -	\$ 72,533	\$ 9,190,135
Receivables - Net	2,075,206	334,134	1,025,307	3,434,647
Prepaid costs, inventory, and other assets	61,475	-	-	61,475
Total current assets	11,254,283	334,134	1,097,840	12,686,257
Noncurrent assets:				
Investment in WTUA (Note 1)	39,372,967	-	-	39,372,967
Nondepreciable capital assets (Note 5)	2,165,509	-	-	2,165,509
Depreciable capital assets - Net (Note 5)	33,775,331	664	-	33,775,995
Total noncurrent assets	75,313,807	664	-	75,314,471
Total assets	86,568,090	334,798	1,097,840	88,000,728
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	1,692,331	83,998	376	1,776,705
Accrued and other liabilities	31,385	2,209	-	33,594
Due to other funds (Note 6)	53,087	159,866	975,297	1,188,250
Current portion of compensated absences (Note 7)	48,511	2,701	-	51,212
Current portion of long-term debt (Note 7)	1,472,413	-	-	1,472,413
Total current liabilities	3,297,727	248,774	975,673	4,522,174
Noncurrent liabilities:				
Compensated absences - Net of current portion (Note 7)	79,668	2,780	-	82,448
Long-term debt - Net of current portion (Note 7)	30,973,098	-	-	30,973,098
Total noncurrent liabilities	31,052,766	2,780	-	31,055,546
Total liabilities	34,350,493	251,554	975,673	35,577,720
<b>Net Assets</b>				
Investment in capital assets - Net of related debt	35,940,840	664	-	35,941,504
Unrestricted	16,276,757	82,580	122,167	16,481,504
Total net assets	<u>\$ 52,217,597</u>	<u>\$ 83,244</u>	<u>\$ 122,167</u>	<u>\$ 52,423,008</u>

# Charter Township of Plymouth

## Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Assets (Deficit) Year Ended December 31, 2006

	Water and Sewer Fund	Solid Waste Disposal Fund	Nonmajor Special Assessment District Fund	Total Proprietary Funds
<b>Operating Revenue</b>				
Sale of water	\$ 3,344,392	\$ -	\$ -	\$ 3,344,392
Sewage disposal charges	4,159,796	-	-	4,159,796
Solid waste charges	-	1,268,210	-	1,268,210
Special assessment charges	-	-	129,209	129,209
Installation charges	26,747	-	-	26,747
Intragovernmental services	85,282	-	-	85,282
Other miscellaneous revenue	238,114	-	-	238,114
Total operating revenue	7,854,331	1,268,210	129,209	9,251,750
<b>Operating Expenses</b>				
Cost of water	2,112,171	-	-	2,112,171
Cost of sewage disposal	2,960,922	-	-	2,960,922
Solid waste disposal	-	1,089,088	-	1,089,088
Salaries and fringe benefits	814,649	64,645	-	879,294
Special assessment project costs	-	-	15,930	15,930
Intragovernmental services charges	534,369	-	-	534,369
Depreciation	1,143,791	442	-	1,144,233
Professional services	8,803	-	-	8,803
Repair and maintenance	809,191	-	-	809,191
Administrative expenses	197,849	-	-	197,849
Miscellaneous	263,182	3,406	-	266,588
Total operating expenses	8,844,927	1,157,581	15,930	10,018,438
<b>Operating Income (Loss)</b>	(990,596)	110,629	113,279	(766,688)
<b>Nonoperating Revenue (Expense)</b>				
Meter charges	1,264,460	-	-	1,264,460
Investment income	549,360	-	83,182	632,542
Interest expense	(1,735,584)	-	(45,127)	(1,780,711)
<b>Income (Loss) - Before contributions</b>	(912,360)	110,629	151,334	(650,397)
<b>Capital Contributions</b>				
Benefit fees	475,750	-	-	475,750
Lines constructed by developers	671,930	-	-	671,930
Total capital contributions	1,147,680	-	-	1,147,680
<b>Change in Net Assets</b>	235,320	110,629	151,334	497,283
<b>Net Assets (Deficit) - Beginning of year</b>	51,982,277	(27,385)	(29,167)	51,925,725
<b>Net Assets - End of year</b>	<u>\$ 52,217,597</u>	<u>\$ 83,244</u>	<u>\$ 122,167</u>	<u>\$ 52,423,008</u>



# Charter Township of Plymouth

## Proprietary Funds Statement of Cash Flows Year Ended December 31, 2006

	Water and Sewer Fund	Solid Waste Disposal Fund	Nonmajor Special Assessment District Fund	Total Proprietary Funds
<b>Cash Flows from Operating Activities</b>				
Receipts from customers	\$ 7,573,690	\$ 1,244,314	\$ 477,377	\$ 9,295,381
Payments to suppliers	(5,870,764)	(1,178,524)	(235,607)	(7,284,895)
Payments to employees	(807,995)	(65,790)	-	(873,785)
Internal activity - Payments to other funds	(169,039)	-	-	(169,039)
Other receipts	323,396	-	(514,310)	(190,914)
Net cash provided by (used in) operating activities	1,049,288	-	(272,540)	776,748
<b>Cash Flows from Capital and Related Financing Activities</b>				
Meter charges	1,264,460	-	-	1,264,460
New customer benefit charges	475,750	-	-	475,750
Purchase of capital assets	(1,743,067)	-	-	(1,743,067)
Principal and interest paid on capital debt	(3,207,997)	-	(45,127)	(3,253,124)
Net cash used in capital and related financing activities	(3,210,854)	-	(45,127)	(3,255,981)
<b>Cash Flows from Investing Activities - Interest received on investments</b>	549,360	-	83,182	632,542
<b>Net Decrease in Cash and Cash Equivalents</b>	(1,612,206)	-	(234,485)	(1,846,691)
<b>Cash and Cash Equivalents - Beginning of year</b>	10,729,808	-	307,018	11,036,826
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 9,117,602</b>	<b>\$ -</b>	<b>\$ 72,533</b>	<b>\$ 9,190,135</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>				
Operating income (loss)	\$ (990,596)	\$ 110,629	\$ 113,279	\$ (766,688)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	1,143,791	442	-	1,144,233
Changes in assets and liabilities:				
Receivables	42,755	(23,896)	348,168	367,027
Due from other funds	1,142	13,939	-	15,081
Prepays, inventory, and other assets	(12,533)	-	-	(12,533)
Accounts payable	830,407	(258,693)	(219,677)	352,037
Accrued and other liabilities	6,654	(1,145)	-	5,509
Due to other funds	27,668	158,724	(514,310)	(327,918)
Net cash provided by (used in) operating activities	<b>\$ 1,049,288</b>	<b>\$ -</b>	<b>\$ (272,540)</b>	<b>\$ 776,748</b>

**Noncash Investing, Capital, and Financing Activities** - During the year ended December 31, 2006, the Water and Sewer Fund received \$671,930 of lines donated by developers.

# Charter Township of Plymouth

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## Fiduciary Funds Statement of Assets and Liabilities December 31, 2006

	<u>Agency Funds</u>
<b>Assets</b>	
Cash and cash equivalents (Note 3)	\$ 6,983,777
Due from other governmental units	<u>43,000</u>
 Total assets	 <b><u>\$ 7,026,777</u></b>
<b>Liabilities</b>	
Due to other governmental units	\$ 6,334,157
Deposits for developers and refundables	265,315
Deposits for building bonds	<u>427,305</u>
 Total liabilities	 <b><u>\$ 7,026,777</u></b>

# Charter Township of Plymouth

## Component Units Statement of Net Assets (Deficit) December 31, 2006

	Downtown Development Authority	Economic Development Corporation	Brownfield Redevelopment Authority	Total
<b>Assets</b>				
Cash and investments (Note 3)	\$ 152,869	\$ -	\$ 149,747	\$ 302,616
Property tax receivable	<u>248,169</u>	<u>-</u>	<u>361,193</u>	<u>609,362</u>
Total assets	401,038	-	510,940	911,978
<b>Liabilities</b>				
Accounts payable	11,826	-	7,026	18,852
Due to other governmental units	52,280	-	-	52,280
Unearned revenue	248,169	-	88,241	336,410
Advances from Plymouth Township	<u>997,706</u>	<u>-</u>	<u>-</u>	<u>997,706</u>
Total liabilities	<u>1,309,981</u>	<u>-</u>	<u>95,267</u>	<u>1,405,248</u>
<b>Net Assets (Deficit) - Unrestricted</b>	<b><u>\$ (908,943)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 415,673</u></b>	<b><u>\$ (493,270)</u></b>

# Charter Township of Plymouth

## Component Units Statement of Activities Year Ended December 31, 2006

	Net (Expense) Revenue and Changes in Net Assets				Total
	Expenses	Downtown Development Authority	Economic Development Corporation	Brownfield Redevelopment Authority	
<b>Downtown Development Authority -</b>					
Public works	\$ 210,345	\$ (210,345)	\$ -	\$ -	\$ (210,345)
<b>Economic Development Corporation -</b>					
Public works	17,220	-	(17,220)	-	(17,220)
<b>Brownfield Redevelopment Authority -</b>					
Environmental remediation	<u>76,561</u>	<u>-</u>	<u>-</u>	<u>(76,561)</u>	<u>(76,561)</u>
Total governmental activities	<b><u>\$ 304,126</u></b>	(210,345)	(17,220)	(76,561)	(304,126)
<b>General Revenues</b>					
Property tax capture		195,289	-	373,413	568,702
Interest		<u>1,610</u>	<u>-</u>	<u>4,713</u>	<u>6,323</u>
Total general revenues		<u>196,899</u>	<u>-</u>	<u>378,126</u>	<u>575,025</u>
<b>Change in Net Assets (Deficit)</b>		(13,446)	(17,220)	301,565	270,899
<b>Net Assets (Deficit) - Beginning of year</b>		<u>(895,497)</u>	<u>17,220</u>	<u>114,108</u>	<u>(764,169)</u>
<b>Net Assets (Deficit) - End of year</b>		<b><u>\$ (908,943)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 415,673</u></b>	<b><u>\$ (493,270)</u></b>

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2006**

## **Note 1 - Summary of Significant Accounting Policies**

The accounting policies of the Charter Township of Plymouth (the "Township") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Charter Township of Plymouth:

### **Reporting Entity**

The Charter Township of Plymouth is governed by an elected seven-member board of trustees. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the Township's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township (see discussion below for description).

**Blended Component Units** - The Township Building Authority is governed by a board that is appointed by the Township. Although it is legally separate from the Township, it is reported as if it were part of the primary government because its primary purpose is to finance and construct the Township's public buildings. To date, the Township Building Authority has constructed a fire station. It holds no assets; the debt activity has been blended into the General Fund.

**Discretely Presented Component Units** - The Downtown Development Authority was created to correct and prevent deterioration in the downtown district, to eliminate blighting influences and brownfield impacts, and to promote the overall image of the downtown district. The Township board of trustees appoints the Downtown Development Authority's governing body, and has the ability to impose its will. It is reported within the component unit column in the government-wide financial statements to emphasize that it is legally separate from the Township. The Downtown Development Authority does not publish a separately issued financial statement. The Downtown Development Authority can be contacted at its administrative offices as follows:

Downtown Development Authority  
9955 N. Haggerty Rd.  
Plymouth, MI 48170

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2006**

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Brownfield Redevelopment Authority was created to finance environmental cleanup within the boundaries of the Township. The Township board of trustees appoints the Brownfield Redevelopment Authority's governing body, and has the ability to impose its will. It is reported within the component unit column in the government-wide financial statements to emphasize that it is legally separate from the Township. The Brownfield Redevelopment Authority does not publish a separately issued financial statement. The Brownfield Redevelopment Authority can be contacted at its administrative offices as follows:

Brownfield Redevelopment Authority  
9955 N. Haggerty Rd.  
Plymouth, MI 48170

**Jointly Governed Organizations** - The Township is a member of the Western Townships Utilities Authority, which provides sewage disposal services to the townships of Canton, Northville, and Plymouth. The participating communities provide annual funding for its operations through payment of monthly sewer use invoices and semi-annual debt payments. During the current year, the Township paid the Western Townships Utilities Authority approximately \$2,049,000 for its operations, \$3,208,000 for its debt, and \$761,000 for capital project costs. The Western Townships Utilities Authority has currently been funded with \$204,000 of working capital and is current in its debt payments. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments. Complete financial statements for the Western Townships Utilities Authority can be obtained from the administrative offices at 40905 Joy Road, Canton, MI 48187.

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2006

### Note 1 - Summary of Significant Accounting Policies (Continued)

The Township is a member of the 35<sup>th</sup> District Court System, which provides judicial services to the Township and several other surrounding communities. The Township appoints one member to the joint venture's board, which then approves the annual budget. The Township and the other member communities have agreed to become guarantors of bonds issued by the District Court Building Authority during 1999. The Township's portion of the guaranteed debt is less than \$1,000,000. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments. Complete financial statements for the 35<sup>th</sup> District Court can be obtained from the administrative office at 660 Plymouth Rd., Plymouth, MI 48170.

#### Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets (deficit) and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and component unit financial statements. The Agency Funds have no measurement focus. Under the accrual basis, revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: state-shared revenue, district court fines, and interest associated with the current fiscal period. Conversely, special assessments and federal grant reimbursements will be collected after the period of availability; receivables have been recorded for these, along with a "deferred revenue" liability.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Township reports the following major governmental funds:

**General Fund** - The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Improvement Revolving Fund** - The Improvement Revolving Fund was established to account for revenues and expenditures for certain capital improvements requiring separate accounting and financing. Special assessments are being accounted for in a new fund for all projects started as of January 1, 2004.



# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2006**

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Township reports the following major proprietary funds:

**Water and Sewer Fund** - The Water and Sewer Fund is used to account for the results of operations for providing water and sewer service to the citizens and businesses of the Township. The fund's primary revenues are generated through user charges from those requesting water and sewer services.

**Solid Waste Disposal Fund** - The Solid Waste Disposal Fund is used to account for the results of operations for providing solid waste services (trash pickup and household hazardous waste disposal) to citizens of the Township. The revenues are generated through a user charge to citizens requesting solid waste services.

The fiduciary activities include the collection of taxes on behalf of the county, school district, and other taxing entities, as well as building bonds and developer deposits that are to be returned upon successful completion of the development or building projects.

Private sector standards of accounting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Township has elected not to follow private sector standards issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Township's proprietary funds relates to charges to customers for sales and services. The Water and Sewer Fund also recognizes the portion of tap fees intended to recover current costs (e.g., labor and materials to hook up new customers) as operating revenue. The portion intended to recover the cost of the infrastructure is recognized as nonoperating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, capital outlay for special assessments, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2006

### Note 1 - Summary of Significant Accounting Policies (Continued)

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

#### Property Tax Revenue

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time they are added to the county tax rolls.

The Township's 2005 tax is levied and collectible on December 1, 2005, and is recognized as revenue in the year ended December 31, 2006, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2005 taxable valuation of the Township totaled approximately \$1,997,000,000 (a portion of which is captured by the DDA and BRDA), on which taxes levied consisted of .8173 mills for operating purposes, .9848 mills for fire services, 1.6348 mills for police and fire services, and .5631 mills for debt. This resulted in \$1,565,000 for operating, \$1,862,000 for fire services, \$3,090,000 for police and fire services, and \$1,064,000 for debt. These amounts are recognized in the General Fund financial statements as tax revenue (net of reductions for delinquent amounts and prior year tax tribunal changes).

#### Other General Revenues

The Township receives state-shared revenue from the State of Michigan based on a percentage of sales tax collections. These revenues are unrestricted and have been reported as general revenues.

The Township receives cable franchise fees that are based on 5 percent of the gross receipts of the cable company. This revenue is unrestricted as to use.

The Township owns a golf course that is run by a management company. The operator of the golf course pays a rental fee to the Township. There are no program costs associated with the golf course agreement for the Township; thus, the fees have been classified as general revenue on the statement of activities.

#### Assets, Liabilities, and Net Assets or Equity

**Bank Deposits and Investments** - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 1 - Summary of Significant Accounting Policies (Continued)

**Receivables and Payables** - In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

**Inventories and Prepaid Items** - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets** - Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

Water and sewer transportation lines	50 years
Buildings and improvements	30 to 40 years
Meters and supplies	15 years
Furnishings, vehicles, and equipment	2 to 15 years

**Compensated Absences (Vacation and Sick Leave)** - It is the Township’s policy to permit employees to accumulate earned but unused sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. Typically the fund to which an employee is assigned (and to which their salary and wages are charged to) will also be the fund to liquidate any compensated absences.

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2006

### Note 1 - Summary of Significant Accounting Policies (Continued)

**Long-term Obligations** - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**Fund Equity** - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### Note 2 - Stewardship, Compliance, and Accountability

**Fund Deficits** - For the year ended December 31, 2006, the Downtown Development Authority has an accumulated fund deficit, which will be eliminated with the collection of future property tax captures.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 2 - Stewardship, Compliance, and Accountability (Continued)

**Construction Code Fees** - The Township oversees building construction, in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Cumulative shortfall at December 31, 2005		\$ (350,490)
Current year building permit revenue	\$ 793,343	
Related expenses (modified accrual basis):		
Direct costs	523,472	
Estimated indirect costs	<u>316,110</u>	
Total construction code expenses	<u>839,582</u>	
Current year shortfall		<u>(46,239)</u>
Cumulative shortfall at December 31, 2006		<u>\$ (396,729)</u>

### Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 3 - Deposits and Investments (Continued)

The Township has designated 10 banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of state statutory authority as listed above. The Township's deposits and investment policies are in accordance with statutory authority.

The Township's cash and investments are subject to several types of risk, which are examined in more detail below:

**Custodial Credit Risk of Bank Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$14,812,523 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. The component units had a bank balance of \$155,557. The federal depository insurance coverage pertains to all of the deposits of the Township; hence, the specific coverage pertaining to the component units, if any, is not determinable.

**Credit Risk** - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Bank investment pool	\$ 1,503,012	AI	S&P

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 4 - Deferred Revenue

The Township records unearned revenue for property taxes billed as of December 1 that are to be used in the next year's budget. The Township also records unearned revenue in connection with resources that have been received but not yet earned. In addition, governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes billed for next year's budget	\$ -	\$ 7,885,309
Grant reimbursement	<u>104,500</u>	<u>-</u>
Total	<u>\$ 104,500</u>	<u>\$ 7,885,309</u>

The Brownfield Redevelopment Authority and the Downtown Development Authority record unearned revenue for property taxes billed as of December 1 that are to be used in the next year's budget. Unearned revenue recorded for the component units as of December 31, 2006 is \$336,410.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 5 - Capital Assets

Capital asset activity of the Township's governmental and business-type activities was as follows:

	Balance January 1, 2006	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2006
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 4,099,376	\$ -	\$ -	\$ (348,715)	\$ 3,750,661
Construction in progress	4,484,750	(4,484,750)	-	-	-
Subtotal	8,584,126	(4,484,750)	-	(348,715)	3,750,661
Capital assets being depreciated:					
Buildings and improvements	7,510,684	4,484,750	4,918,322	(547,849)	16,365,907
Furnishings, vehicles, and equipment	7,524,344	-	1,438,209	(1,306,600)	7,655,953
Subtotal	15,035,028	4,484,750	6,356,531	(1,854,449)	24,021,860
Accumulated depreciation:					
Buildings and improvements	3,612,963	-	308,850	(342,935)	3,578,878
Furnishings, vehicles, and equipment	4,767,984	-	609,326	(1,277,969)	4,099,341
Subtotal	8,380,947	-	918,176	(1,620,904)	7,678,219
Net capital assets being depreciated	6,654,081	4,484,750	5,438,355	(233,545)	16,343,641
Total capital assets - Net of depreciation	\$ 15,238,207	\$ -	\$ 5,438,355	\$ (582,260)	\$ 20,094,302
<b>Business-type Activities</b>					
Capital assets not being depreciated:					
Land	\$ 650,000	\$ 259,058	\$ -	\$ -	\$ 909,058
Construction in progress	1,915,944	1,190,507	1,850,000	1,850,000	1,256,451
Subtotal	2,565,944	1,449,565	1,850,000	1,850,000	2,165,509
Capital assets being depreciated:					
Water and sewer transportation lines	47,719,651	1,022,892	-	-	48,742,543
Buildings and improvements	1,561,277	1,560,171	-	-	3,121,448
Meters and supplies	1,489,346	48,896	43,477	43,477	1,494,765
Equipment and other	784,761	111,563	35,822	35,822	860,502
Subtotal	51,555,035	2,743,522	79,299	79,299	54,219,258
Accumulated depreciation:					
Water and sewer transportation lines	17,169,404	964,963	-	-	18,134,367
Buildings and improvements	607,036	61,380	-	-	668,416
Meters and supplies	991,069	62,538	43,478	43,478	1,010,129
Equipment and other	610,744	55,352	35,745	35,745	630,351
Subtotal	19,378,253	1,144,233	79,223	79,223	20,443,263
Net capital assets being depreciated	32,176,782	1,599,289	76	76	33,775,995
Total capital assets - Net of depreciation	\$ 34,742,726	\$ 3,048,854	\$ 1,850,076	\$ 1,850,076	\$ 35,941,504



# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 5 - Capital Assets (Continued)

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
General government	\$ 229,738
Public safety:	
Police	164,037
Fire	277,722
Dispatching	65,307
Building inspections	17,521
Planning and zoning	5,538
Public works	9,125
Parks	149,188
	<hr/>
Total governmental activities	\$ 918,176
	<hr/>
Business-type activities:	
Water and sewer	\$ 1,143,791
Solid waste disposal	442
	<hr/>
Total business-type activities	\$ 1,144,233
	<hr/>

There is a resolution for the Township to fund \$1,021,750 for a grade separation at a railroad crossing. In February 2006, the Township board approved the issuance of approximately \$995,000 of bonds to cover the majority of its share of the project costs. It is anticipated that the bonds will be repaid over a 20-year period. The remaining funding for the project is being provided by state and federal grants and the City of Plymouth.

Brownfield redevelopment costs of approximately \$296,000 have been incurred by property owners in the brownfield district. These costs will be paid for through future property tax collections. The Township is not responsible for costs incurred in excess of property taxes captured.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Sewer Fund	\$ 53,087
	Solid Waste Disposal Fund	159,866
Improvement Revolving Fund	Special Assessment Fund	<u>975,297</u>
	Total	<u>\$ 1,188,250</u>

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

#### Interfund Transfers

Fund Transferred From	Fund Transferred To	Amount
General Fund	Improvement Revolving Fund	<u>\$ 2,342,680</u>

The transfer from the General Fund to the Improvement Revolving Fund represents the annual amount set aside to fund future capital projects (principally fire equipment and the new town hall).

### Note 7 - Long-term Debt

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds and installment purchase agreements are direct obligations and pledge the full faith and credit of the Township.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 7 - Long-term Debt (Continued)

Description	Amount
1993 Building Authority bond originally issued for \$995,000, used to construct the fire station, bearing interest from 5.90% to 6.10%, with principal maturity ranges from \$90,000 to \$95,000, maturing in 2007	\$ 95,000
2003 installment purchase agreement originally issued for \$1,173,773, used for Lake Pointe Soccer Park, bearing interest at 3.60%, with principal maturity ranges from \$59,639 to \$116,119, maturing in 2015	881,853
2004 General Obligation bond originally issued for \$6,000,000, used to design and construct the new town hall, bearing interest from 3.50% to 4.85%, with principal maturity ranges from \$75,000 to \$500,000, maturing in 2025	5,925,000
2006 General Obligation bond originally issued for \$995,000, used to construct the underpass at Sheldon Road, bearing interest from 4% to 4.45%, with principal maturity ranges from \$20,000 to \$90,000, maturing in 2026	<u>995,000</u>
Total governmental activities	<u>7,896,853</u>
2001 contractual obligation to WTUA to service a portion of its debt related to construction of sewage collection and retention facilities, with an original obligation amount of \$17,448,892, bearing interest from 3.50% to 5.25%, with principal maturity ranges from \$156,082 to \$1,705,482, maturing in 2018	15,138,132
2002 contractual obligation to WTUA to service a portion of its debt related to construction of sewage collection and retention facilities, with an original obligation amount of \$18,289,494, bearing interest from 3.00% to 5.00%, with principal maturity ranges from \$285,255 to \$1,611,929, maturing in 2022	<u>17,307,379</u>
Total business-type activities	<u>32,445,511</u>
Total	<u>\$ 40,342,364</u>

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 7 - Long-term Debt (Continued)

Long-term obligation activity can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General obligations	\$ 7,159,028	\$ 995,000	\$ (257,175)	\$ 7,896,853	\$ 285,356
Compensated balances	1,300,227	607,341	(570,681)	1,336,887	581,328
Total governmental activities	<u>\$ 8,459,255</u>	<u>\$ 1,602,341</u>	<u>\$ (827,856)</u>	<u>\$ 9,233,740</u>	<u>\$ 866,684</u>
<b>Business-type Activities</b>					
2001 contractual obligation	\$ 17,024,350	\$ -	\$ (1,016,000)	\$ 16,008,350	1,016,000
Less deferred amount on 2001 refunding	(942,736)	-	72,518	(870,218)	(72,518)
Net 2001 contractual obligation	16,081,614	-	(943,482)	15,138,132	943,482
2002 contractual obligation	18,050,000	-	(541,500)	17,508,500	541,500
Less:					
Unamortized bond issue costs on 2002 issue	(57,502)	-	3,382	(54,120)	(3,382)
Unamortized discount on 2002 issue	(156,188)	-	9,187	(147,001)	(9,187)
Net 2002 contractual obligation	<u>17,836,310</u>	<u>-</u>	<u>(528,931)</u>	<u>17,307,379</u>	<u>528,931</u>
Total contractual obligations	33,917,924	-	(1,472,413)	32,445,511	1,472,413
Compensated absences	122,185	58,290	(46,815)	133,660	51,212
Total business-type activities	<u>\$ 34,040,109</u>	<u>\$ 58,290</u>	<u>\$ (1,519,228)</u>	<u>\$ 32,579,171</u>	<u>\$ 1,523,625</u>

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ 285,356	\$ 316,408	\$ 601,764	\$ 1,472,413	\$ 1,660,586	\$ 3,132,999
2008	243,653	324,629	568,282	1,779,910	1,580,171	3,360,081
2009	272,070	315,587	587,657	1,792,612	1,484,063	3,276,675
2010	305,612	306,420	612,032	1,906,912	1,387,289	3,294,201
2011	334,283	293,987	628,270	2,112,812	1,291,734	3,404,546
2012-2016	1,955,879	1,253,826	3,209,705	12,863,559	4,704,153	17,567,712
2017-2021	2,170,000	844,748	3,014,748	8,905,364	1,651,338	10,556,702
2022-2026	2,330,000	292,592	2,622,592	1,611,929	89,734	1,701,663
Total	<u>\$ 7,896,853</u>	<u>\$ 3,948,197</u>	<u>\$ 11,845,050</u>	<u>\$ 32,445,511</u>	<u>\$ 13,849,068</u>	<u>\$ 46,294,579</u>

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 8 - Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township participates in the Michigan Municipal League risk pool for claims relating to workers' compensation and employee medical benefit claims, and participates in the Michigan Municipal Risk Management Authority for claims relating to general liability claims.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The Michigan Municipal Risk Management Authority (the "Authority") risk pool program operates as a claims servicing pool for amounts up to member retention limits, and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the Authority that the Authority uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Township.

The Township estimates the liability for general liability claims that have been incurred through the end of the fiscal year, including claims that have been reported as well as those that have not yet been reported. Changes in the estimated liability for the past two fiscal years were as follows:

	<u>2006</u>	<u>2005</u>
Unpaid claims - Beginning of year	\$ 2,500	\$ 120,000
Incurred claims (including claims incurred but not reported, and adjustments of prior years' estimates)	230,476	135,708
Claim payments	<u>(112,976)</u>	<u>(253,208)</u>
Unpaid claims - End of year	<u>\$ 120,000</u>	<u>\$ 2,500</u>

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2006**

## **Note 9 - Defined Contribution Pension Plan**

The Township provides pension benefits to its full-time general office and DPW employees through a defined contribution plan (police and fire personnel are provided a defined benefit plan, as discussed in the following footnote). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. As established by Township board resolution, the Township contributes 15 percent of employees' base earnings and certain employees contribute 5 percent of base earnings, with an additional 5 percent allowed.

The current year contribution was calculated based on covered payroll of \$2,323,800, resulting in an employer contribution of \$348,570 and employee contributions of \$120,022.

## **Note 10 - Defined Benefit Pension Plan**

**Plan Description** - Beginning in 2005, the Township began participating in the Municipal Employees Retirement System of Michigan, an agent multiple-employer defined benefit pension plan that covers all police and fire union employees plus certain command officers. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. The Municipal Employees Retirement System of Michigan issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the system at 1134 Municipal Way., Lansing, MI 48917.

**Funding Policy** - The obligation to contribute to and maintain the system for these employees was established by negotiation with the Township's collective bargaining units. The police agreement requires a contribution from the employer of 13.5 percent of wages; the employees contribute the difference between the actuarial required contribution rates less the 13.5 percent employer portion. The firefighter agreement requires the first 2 percent contribution to be made by the employee, the next 13.5 percent by the employer, the next 5 percent by the employee, and any remaining to be paid by the employer.

**Annual Pension Cost** - For year ended December 31, 2006, the Township's annual pension cost of \$523,470 for the plan was equal to the Township's required and actual contribution. The annual required contribution was determined by the initial actuarial valuation dated February 1, 2005 for firefighters, and October 1, 2005 for police officers.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2006

### Note 10 - Defined Benefit Pension Plan (Continued)

The valuations used the entry age normal cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent per year, and (c) no cost of living adjustments. Both (a) and (b) include an inflation component of 3 percent to 4 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a 15- to 20-year closed basis (the amortization period is reestablished with each valuation).

**Three-year Trend Information** - Because 2005 is the initial year of benefits, three-year trend information is not yet available. The plan has received one actuarial valuation, summarized as follows (information presented separately for each division of the plan):

	Police	Fire
Actuarial value of assets	\$ 4,491,169	\$ 4,837,615
Actuarial accrued liability (AAL)	6,339,717	6,645,652
Unfunded AAL (UAAL)	1,848,548	1,808,037
Funded ratio	70.8%	72.8%
Covered payroll	2,434,820	1,742,750
UAAL as a percentage of covered payroll	75.9%	103.7%

### Note 11 - Other Postemployment Benefits

The Township has elected to provide postemployment health benefits to certain retirees and their beneficiaries. The Township pays a significant portion of the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the Township's group rates. Currently, 26 retirees are eligible for postemployment health benefits. For the fiscal year ended December 31, 2006, the Township made payments for postemployment health benefit premiums of approximately \$263,000. The Township obtains health care coverage through private insurers.

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2006**

## **Note 11 - Other Postemployment Benefits (Continued)**

**Upcoming Reporting Change** - The Governmental Accounting Standards Board has recently released Statement Number 45, *Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions*. The new pronouncement provides guidance for local units of government in recognizing the cost of retiree health care, as well as any “other” postemployment benefits (other than pensions). The new rules will cause the government-wide financial statements to recognize the cost of providing retiree health care coverage over the working life of the employee, rather than at the time the health care premiums are paid. The new pronouncement is effective for the year ending December 31, 2008.



## **Required Supplemental Information**

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# Charter Township of Plymouth

## Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2006

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 7,800,000	\$ 7,600,000	\$ 7,582,004	\$ (17,996)
State-shared revenue	2,100,000	2,018,000	2,008,623	(9,377)
Licenses and permits	906,000	931,000	953,336	22,336
Fines and forfeitures	300,000	300,000	343,335	43,335
City of Plymouth fire contribution	988,427	988,427	906,841	(81,586)
City of Plymouth dispatch contribution	459,810	249,846	232,747	(17,099)
Charges for services	50,000	110,000	125,491	15,491
Interest and rents	575,000	595,000	704,418	109,418
Federal grants	304,000	170,000	38,971	(131,029)
Miscellaneous	573,000	465,000	533,527	68,527
Intragovernmental service charge	480,000	500,000	534,369	34,369
Total revenue	14,536,237	13,927,273	13,963,662	36,389
Contribution from fund balance	47,493	2,224,832	1,141,778	(1,083,054)
Total sources of funds	<u>\$ 14,583,730</u>	<u>\$ 16,152,105</u>	<u>\$ 15,105,440</u>	<u>\$ (1,046,665)</u>
<b>Expenditures</b>				
General government	\$ 3,377,410	\$ 3,316,666	\$ 2,992,189	\$ 324,477
Public safety	8,989,125	8,949,271	8,431,042	518,229
Building	850,979	567,440	523,471	43,969
Community development	322,027	415,939	372,499	43,440
Park	356,303	344,903	271,395	73,508
Grants	138,000	108,000	65,669	42,331
Debt service	107,206	107,206	106,495	711
Capital improvement	442,680	2,342,680	2,342,680	-
Total expenditures	<u>\$ 14,583,730</u>	<u>\$ 16,152,105</u>	<u>\$ 15,105,440</u>	<u>\$ 1,046,665</u>

# Charter Township of Plymouth

## Required Supplemental Information Budgetary Comparison Schedule Major Special Revenue Funds - Improvement Revolving Fund Year Ended December 31, 2006

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Federal sources	\$ -	\$ 13,000	\$ 12,792	\$ (208)
Interest and rents	25,000	130,000	79,469	(50,531)
Sale of capital assets	3,000,000	2,000,000	2,000,000	-
Bond proceeds	-	995,000	995,000	-
Transfer from other funds	<u>256,105</u>	<u>2,342,680</u>	<u>2,342,680</u>	<u>-</u>
Total revenue	3,281,105	5,480,680	5,429,941	(50,739)
<b>Expenditures</b>				
Capital outlay	4,228,500	6,036,114	6,043,256	(7,142)
Debt payment	<u>457,467</u>	<u>457,467</u>	<u>456,692</u>	<u>775</u>
Total expenditures	<u>4,685,967</u>	<u>6,493,581</u>	<u>6,499,948</u>	<u>(6,367)</u>
<b>Change in Fund Balance</b>	(1,404,862)	(1,012,901)	(1,070,007)	(57,106)
<b>Fund Balance</b>				
Beginning of year	<u>3,032,514</u>	<u>3,032,514</u>	<u>3,032,514</u>	<u>-</u>
End of year	<u><b>\$ 1,627,652</b></u>	<u><b>\$ 2,019,613</b></u>	<u><b>\$ 1,962,507</b></u>	<u><b>\$ (57,106)</b></u>

# Charter Township of Plymouth

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## Note to Required Supplemental Information December 31, 2006

### Note - Budgetary Information

The Township adopts a formal budget for the General Fund and all Special Revenue Funds on a basis consistent with generally accepted accounting principles. By August 1 of each year, all department heads submit spending requests to the Township supervisor so that a budget may be prepared. Before September 1, the proposed budget is submitted to the Township board for review. Public hearings are held, and a final budget is adopted no later than November 1. The Township board must approve any budget amendments.

The budget has been prepared in accordance with generally accepted accounting principles, with the exception of operating transfers which have been included in the "revenue" and "expenditure" categories, rather than omitted from the budget statement.

Appropriations are adopted by the Township board on an activity basis, as reported on pages 43 and 44 of these financial statements. Michigan law requires expenditures to be within budget at this level. During the year, the Charter Township of Plymouth did not incur any significant expenditures that were in excess of the amounts budgeted.

During the current year, the budget was amended in a legally permissible manner. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. The amount of encumbrances outstanding at December 31, 2006 has not been calculated. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures.

## **Other Supplemental Information**

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# Charter Township of Plymouth

## Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds December 31, 2006

	Special Revenue Funds		Total
	911 Communications	Drug Forfeiture	Nonmajor Governmental Funds
<b>Assets</b>			
Cash and investments	\$ -	\$ 417	\$ 417
Receivables - Net	14,730	50,000	64,730
Total assets	<u>\$ 14,730</u>	<u>\$ 50,417</u>	<u>\$ 65,147</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b> - Deferred revenue	\$ 14,730	\$ -	\$ 14,730
<b>Fund Balances</b> - Unreserved	-	50,417	50,417
Total liabilities and fund balances	<u>\$ 14,730</u>	<u>\$ 50,417</u>	<u>\$ 65,147</u>

# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds Year Ended December 31, 2006

	Special Revenue Funds		Total Nonmajor Governmental Funds
	911 Communications	Drug Forfeiture	
<b>Revenue</b>			
Interest income	\$ -	\$ 40	\$ 40
Forfeitures	-	56,338	56,338
Other	175,761	-	175,761
Total revenue	175,761	56,378	232,139
<b>Expenditures - Public safety</b>	175,761	8,612	184,373
<b>Excess of Revenue Over Expenditures</b>	-	47,766	47,766
<b>Fund Balances - Beginning of year</b>	-	2,651	2,651
<b>Fund Balances - End of year</b>	<u>\$ -</u>	<u>\$ 50,417</u>	<u>\$ 50,417</u>

# Charter Township of Plymouth

## Other Supplemental Information Budgetary Comparison Schedule 911 Communication Fund Year Ended December 31, 2006

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue - 911 income</b>	\$ 190,000	\$ 190,000	\$ 175,761	\$ (14,239)
<b>Expenditures - Public safety</b>	<u>190,000</u>	<u>190,000</u>	<u>175,761</u>	<u>14,239</u>
<b>Net Revenue</b>	-	-	-	-
<b>Fund Balance</b>				
Beginning of year	<u>34,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u><u>\$ 34,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



# Charter Township of Plymouth

## Other Supplemental Information Budgetary Comparison Schedule Drug Forfeiture Fund Year Ended December 31, 2006

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b> - Forfeitures and interest income	\$ 15,000	\$ 15,000	\$ 56,378	\$ 41,378
<b>Expenditures</b> - Public safety	10,660	10,660	8,612	2,048
<b>Excess of Revenue Over Expenditures</b>	4,340	4,340	47,766	43,426
<b>Fund Balance</b>				
Beginning of year	19,223	1,483	2,651	1,168
End of year	<u>\$ 23,563</u>	<u>\$ 5,823</u>	<u>\$ 50,417</u>	<u>\$ 44,594</u>

# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Assets and Liabilities Fiduciary Funds December 31, 2006

	General Agency	Tax Collections	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 692,620	\$ 6,291,157	\$ 6,983,777
Due from other governments	<u>-</u>	<u>43,000</u>	<u>43,000</u>
Total assets	<u><b>\$ 692,620</b></u>	<u><b>\$ 6,334,157</b></u>	<u><b>\$ 7,026,777</b></u>
<b>Liabilities</b>			
Due to other governmental units	\$ -	\$ 6,334,157	\$ 6,334,157
Deposits for developers and refundables	265,315	-	265,315
Deposits for building bonds	<u>427,305</u>	<u>-</u>	<u>427,305</u>
Total liabilities	<u><b>\$ 692,620</b></u>	<u><b>\$ 6,334,157</b></u>	<u><b>\$ 7,026,777</b></u>

# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Changes in Assets and Liabilities Fiduciary Funds Year Ended December 31, 2006

	Balance January 1, 2006	Additions	Deletions	Balance December 31, 2006
<b><u>Agency Funds</u></b>				
<b>Assets - Cash and cash equivalents</b>	<b>\$ 682,689</b>	<b>\$ 773,698</b>	<b>\$ 763,767</b>	<b>\$ 692,620</b>
<b>Liabilities</b>				
Due to other governmental units	\$ -	\$ 277,151	\$ 277,151	\$ -
Deposits for developers and refundables	278,284	327,266	340,235	265,315
Deposits for building bonds	404,405	159,831	136,931	427,305
Total liabilities	<b>\$ 682,689</b>	<b>\$ 764,248</b>	<b>\$ 754,317</b>	<b>\$ 692,620</b>
<b><u>Tax Collection Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 5,445,326	\$ 71,077,028	\$ 70,231,197	\$ 6,291,157
Due from other funds	42,807	2,964	2,771	43,000
Total assets	<b>\$ 5,488,133</b>	<b>\$ 71,079,992</b>	<b>\$ 70,233,968</b>	<b>\$ 6,334,157</b>
<b>Liabilities</b>				
Due to other governmental units	\$ 5,468,980	\$ 71,138,933	\$ 70,273,756	\$ 6,334,157
Due to other funds	19,153	590	19,743	-
Total liabilities	<b>\$ 5,488,133</b>	<b>\$ 71,139,523</b>	<b>\$ 70,293,499</b>	<b>\$ 6,334,157</b>
<b><u>Total - All Agency Funds</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 6,128,015	\$ 71,850,726	\$ 70,994,964	\$ 6,983,777
Due from other funds	42,807	2,964	2,771	43,000
Total assets	<b>\$ 6,170,822</b>	<b>\$ 71,853,690</b>	<b>\$ 70,997,735</b>	<b>\$ 7,026,777</b>
<b>Liabilities</b>				
Due to other governmental units	\$ 5,468,980	\$ 71,138,933	\$ 70,273,756	\$ 6,334,157
Deposits for developers and refundables	278,284	327,266	340,235	265,315
Due to other funds	19,153	590	19,743	-
Deposits for building bonds	404,405	159,831	136,931	427,305
Total liabilities	<b>\$ 6,170,822</b>	<b>\$ 71,626,620</b>	<b>\$ 70,770,665</b>	<b>\$ 7,026,777</b>

# Charter Township of Plymouth

## Other Supplemental Information Balance Sheet/Statement of Net Assets Downtown Development Authority December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Assets</b>			
Cash and investments	\$ 152,869	\$ -	\$ 152,869
Property tax receivable	248,169	-	248,169
Total assets	<b>\$ 401,038</b>	<b>\$ -</b>	<b>\$ 401,038</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ 11,826	\$ -	\$ 11,826
Due to other government	52,280	-	52,280
Deferred revenue	248,169	-	248,169
Loan payable to Plymouth Township General Fund	-	997,706	997,706
Total liabilities	312,275	997,706	1,309,981
<b>Fund Balance - Unreserved</b>	<b>88,763</b>	<b>(997,706)</b>	<b>(908,943)</b>
Total liabilities and fund balance	<b>\$ 401,038</b>	<b>\$ -</b>	<b>\$ 401,038</b>

# Charter Township of Plymouth

## Other Supplemental Information Statement of Revenue, Expenditures, and Changes in Fund Balance/ Statement of Activities Downtown Development Authority Year Ended December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Revenue</b>			
Property taxes	\$ 195,289	\$ -	\$ 195,289
Interest earnings	1,610	-	1,610
Total revenue	196,899	-	196,899
<b>Other Financing Sources - Loan from Plymouth Township General Fund</b>			
	238,528	(238,528)	-
Total revenue and other financing sources	435,427	(238,528)	196,899
<b>Expenditures</b>			
Current:			
Ann Arbor Road improvements	114,438	-	114,438
Contractual services	22,289	-	22,289
Maintenance - Grounds	35,117	-	35,117
Debt service/interest expense	38,501	-	38,501
Total expenditures	210,345	-	210,345
<b>Change in Fund Balance/Net Deficit</b>	225,082	-	(13,446)
<b>Fund Balance/Net Deficit</b>			
Beginning of year	(136,319)	(759,178)	(895,497)
End of year	<u>\$ 88,763</u>	<u>\$ (997,706)</u>	<u>\$ (908,943)</u>

# Charter Township of Plymouth

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## Other Supplemental Information Balance Sheet/Statement of Net Assets Economic Development Corporation December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance - Unreserved</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# Charter Township of Plymouth

## Other Supplemental Information Statement of Revenue, Expenditures, and Changes in Fund Balance/ Statement of Activities Economic Development Corporation Year Ended December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Revenue</b> - Interest earnings	\$ -	\$ -	\$ -
<b>Expenditures</b> - Environmental remediation	<u>17,220</u>	<u>-</u>	<u>17,220</u>
<b>Change in Fund Balance/Net Assets</b>	(17,220)	-	(17,220)
<b>Fund Balance/Net Assets</b>			
Beginning of year	<u>17,220</u>	<u>-</u>	<u>17,220</u>
End of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

# Charter Township of Plymouth

## Other Supplemental Information Balance Sheet/Statement of Net Assets Brownfield Redevelopment Authority December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Assets</b>			
Cash and investments	\$ 149,747	\$ -	\$ 149,747
Property taxes receivable	361,193	-	361,193
Total assets	<b>\$ 510,940</b>	<b>\$ -</b>	<b>\$ 510,940</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ 7,026	\$ -	\$ 7,026
Deferred revenue	88,241	-	88,241
Total liabilities	95,267	-	95,267
<b>Fund Balance - Unreserved</b>	415,673	-	415,673
Total liabilities and fund balance	<b>\$ 510,940</b>	<b>\$ -</b>	<b>\$ 510,940</b>



# Charter Township of Plymouth

## Other Supplemental Information Statement of Revenue, Expenditures, and Changes in Fund Balance/ Statement of Activities Brownfield Redevelopment Authority Year Ended December 31, 2006

	Modified Accrual	Full Accrual Adjustments	Full Accrual
<b>Revenue</b>			
Property taxes	\$ 373,413	\$ -	\$ 373,413
Interest earnings	4,713	-	4,713
Total revenue	378,126	-	378,126
<b>Expenditures - Current - Environmental remediation</b>			
	76,561	-	76,561
<b>Change in Fund Balance/Net Assets</b>			
	301,565	-	301,565
<b>Fund Balance/Net Assets</b>			
Beginning of year	114,108	-	114,108
End of year	<u>\$ 415,673</u>	<u>\$ -</u>	<u>\$ 415,673</u>

## **Statistical Section**

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This part of the Charter Township of Plymouth's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

The statistical section is organized into the following main categories:

- Financial trends
- Revenue capacity
- Debt capacity
- Demographic and economic information
- Operating information

## **Financial Trends**

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These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

# Charter Township of Plymouth

## Financial Trends Net Assets by Component (Unaudited)

	As of December 31			
	2003	2004	2005	2006
<b>Governmental Activities</b>				
Invested in capital assets - Net of related debt	\$ 8,378,501	\$ 8,341,789	\$ 8,079,178	\$ 12,197,449
Restricted	51,123	(2,244)	2,651	50,417
Unrestricted	<u>7,260,653</u>	<u>6,010,616</u>	<u>5,593,596</u>	<u>3,045,446</u>
Total net assets	15,690,277	14,350,161	13,675,425	15,293,312
<b>Business-type Activities</b>				
Invested in capital assets - Net of related debt	33,834,233	33,297,351	34,742,726	35,941,504
Restricted	-	-	-	-
Unrestricted	<u>16,015,938</u>	<u>17,665,918</u>	<u>17,182,999</u>	<u>16,526,631</u>
Total net assets	49,850,171	50,963,269	51,925,725	52,468,135
<b>Primary Government in Total</b>				
Invested in capital assets - Net of related debt	42,212,734	41,639,140	42,821,904	48,138,953
Restricted	51,123	(2,244)	2,651	50,417
Unrestricted	<u>23,276,591</u>	<u>23,676,534</u>	<u>22,776,595</u>	<u>19,572,077</u>
Total net assets	<u><b>\$65,540,448</b></u>	<u><b>\$65,313,430</b></u>	<u><b>\$65,601,150</b></u>	<u><b>\$67,761,447</b></u>

# Charter Township of Plymouth

## Financial Trends Changes in Governmental Net Assets (Unaudited)

	Fiscal Year Ended December 31			
	2003	2004	2005	2006
<b>Expenses</b>				
General government	\$ 2,114,151	\$ 2,438,405	\$ 2,278,495	\$ 2,400,235
Fire services	3,360,823	3,506,160	3,625,384	3,580,155
Dispatch services	867,500	905,548	975,780	910,488
Police services	3,624,980	3,922,995	4,204,011	3,903,781
Building inspections and related	610,060	617,312	534,144	506,651
Planning and zoning	492,764	455,081	405,182	423,532
Public works	676,311	665,616	1,986,167	853,971
Community services	163,558	83,614	19,827	33,294
Parks	334,851	400,555	467,973	420,850
Interest on long-term debt	46,351	205,024	314,741	305,061
<b>Total governmental activities</b>	<b>12,291,349</b>	<b>13,200,310</b>	<b>14,811,704</b>	<b>13,338,018</b>
<b>Program Revenues</b>				
Charges for services:				
General government	44,472	342,997	123,847	179,639
Fire services	1,022,454	988,663	986,341	1,044,466
Dispatch services	348,652	382,885	440,622	382,319
Police services	274,156	312,721	260,179	160,569
Building inspections and related services	750,430	673,820	969,448	793,343
Other activities	241,173	163,079	2,007,965	167,019
<b>Total charges for services</b>	<b>2,681,337</b>	<b>2,864,165</b>	<b>4,788,402</b>	<b>2,727,355</b>
Operating grants and contributions	425,189	316,155	449,333	214,732
Capital grants and contributions	22,349	65,692	4,500	12,792
<b>Total program revenue</b>	<b>3,128,875</b>	<b>3,246,012</b>	<b>5,242,235</b>	<b>2,954,879</b>
<b>Net expense</b>	<b>(9,162,474)</b>	<b>(9,954,298)</b>	<b>(9,569,469)</b>	<b>(10,383,139)</b>
<b>General Revenues</b>				
Property taxes	5,559,816	5,641,737	6,027,556	7,644,192
State-shared revenues	2,169,801	2,048,750	2,029,620	2,008,623
Golf course	350,000	350,000	350,001	111,319
Investment earnings	309,151	295,341	461,314	493,779
Franchise fees	283,667	278,354	317,242	343,335
Investment in joint venture - District court	-	-	(291,000)	1,444,905
<b>Total general revenues</b>	<b>8,672,435</b>	<b>8,614,182</b>	<b>8,894,733</b>	<b>12,046,153</b>
<b>Change in net assets</b>	<b>\$ (490,039)</b>	<b>\$ (1,340,116)</b>	<b>\$ (674,736)</b>	<b>\$ 1,663,014</b>

# Charter Township of Plymouth

## Financial Trends Changes in Business-type Net Assets (Unaudited)

	Fiscal Year Ended December 31			
	2003	2004	2005	2006
<b>Operating Revenue</b>				
Sale of water	\$ 3,290,137	\$ 3,203,302	\$ 3,386,839	\$ 3,344,392
Sewage disposal charges	3,911,842	3,938,611	4,133,382	4,159,796
Solid waste charges	1,003,614	1,103,581	1,218,858	1,268,210
Installation fees	58,749	53,906	38,741	26,747
Other charges for services	<u>229,027</u>	<u>580,943</u>	<u>800,323</u>	<u>452,605</u>
Total operating revenue	8,493,369	8,880,343	9,578,143	9,251,750
<b>Operating Expenses</b>				
Cost of water produced/purchased	1,944,961	1,874,277	2,216,889	2,112,171
Cost of sewage treatment	2,593,520	2,251,559	2,770,486	2,960,922
Solid waste disposal	1,055,546	1,092,755	1,106,609	1,089,088
Operation costs	1,861,106	2,531,691	2,721,809	2,757,151
Depreciation	<u>1,085,455</u>	<u>1,094,579</u>	<u>1,097,359</u>	<u>1,144,233</u>
Total operating expenses	<u>8,540,588</u>	<u>8,844,861</u>	<u>9,913,152</u>	<u>10,063,565</u>
<b>Operating Income (Loss)</b>	(47,219)	35,482	(335,009)	(811,815)
<b>Nonoperating Revenue (Expenses)</b>				
Meter charges	1,234,365	1,250,157	1,262,645	1,264,460
Investment income	160,765	239,856	539,040	632,542
Interest expense	<u>(1,764,421)</u>	<u>(1,907,478)</u>	<u>(1,906,081)</u>	<u>(1,735,584)</u>
<b>Loss - Before contributions and other items</b>	(416,510)	(381,983)	(439,405)	(650,397)
<b>Capital Contributions</b>				
Benefit fees	717,288	1,033,422	877,515	475,750
Lines constructed by developers	<u>640,497</u>	<u>461,659</u>	<u>524,346</u>	<u>671,930</u>
Total capital contributions	<u>1,357,785</u>	<u>1,495,081</u>	<u>1,401,861</u>	<u>1,147,680</u>
Change in net assets	<u><b>\$ 941,275</b></u>	<u><b>\$ 1,113,098</b></u>	<u><b>\$ 962,456</b></u>	<u><b>\$ 497,283</b></u>

# Charter Township of Plymouth

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	1997	1998	1999	2000	2001
<b>General Fund</b>					
Reserved	\$ -	\$ -	\$ -	\$ 1,448,889	\$ 540,776
Unreserved	<u>3,443,350</u>	<u>3,987,596</u>	<u>4,559,112</u>	<u>3,402,467</u>	<u>4,667,563</u>
Total General Fund	<u><b>\$ 3,443,350</b></u>	<u><b>\$ 3,987,596</b></u>	<u><b>\$ 4,559,112</b></u>	<u><b>\$ 4,851,356</b></u>	<u><b>\$ 5,208,339</b></u>
<b>All Other Governmental Funds</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in Special Revenue Funds	<u>354,692</u>	<u>1,040,762</u>	<u>827,377</u>	<u>240,233</u>	<u>(144,398)</u>
Total all other governmental fund	<u>354,692</u>	<u>1,040,762</u>	<u>827,377</u>	<u>240,233</u>	<u>(144,398)</u>
Total fund balance, all governmental funds	<u><b>\$ 3,798,042</b></u>	<u><b>\$ 5,028,358</b></u>	<u><b>\$ 5,386,489</b></u>	<u><b>\$ 5,091,589</b></u>	<u><b>\$ 5,063,941</b></u>

**Financial Trends**  
**Fund Balances - Governmental Funds - Last Ten Years**  
(Unaudited)

2002	2003	2004	2005	2006
\$ 407,863	\$ -	\$ 494,894	\$ 759,178	\$ 997,706
<u>5,147,272</u>	<u>6,374,129</u>	<u>3,665,457</u>	<u>2,377,019</u>	<u>996,713</u>
<b><u>\$ 5,555,135</u></b>	<b><u>\$ 6,374,129</u></b>	<b><u>\$ 4,160,351</u></b>	<b><u>\$ 3,136,197</u></b>	<b><u>\$ 1,994,419</u></b>
\$ -	\$ 111,115	\$ 4,077,673	\$ 1,489,607	\$ 930,170
<u>(552,231)</u>	<u>(181,965)</u>	<u>2,137,363</u>	<u>1,542,907</u>	<u>1,037,627</u>
<u>(552,231)</u>	<u>(70,850)</u>	<u>6,215,036</u>	<u>3,032,514</u>	<u>1,967,797</u>
<b><u>\$ 5,002,904</u></b>	<b><u>\$ 6,303,279</u></b>	<b><u>\$ 10,375,387</u></b>	<b><u>\$ 6,168,711</u></b>	<b><u>\$ 3,962,216</u></b>



# Charter Township of Plymouth

	Year Ended			
	1997	1998	1999	2000
<b>Revenue</b>				
Property taxes	\$ 3,418,163	\$ 3,778,814	\$ 4,117,846	\$ 4,408,297
Licenses and permits	1,504,401	1,837,357	1,912,197	1,781,689
Federal grants	81,372	48,445	260,261	166,095
State-shared revenues and grants	1,874,208	2,020,149	2,196,699	2,281,115
City of Plymouth contribution	636,822	693,610	606,835	877,200
Intergovernmental charges for services	355,398	404,728	462,994	462,583
Fines and forfeitures	108,053	-	160,080	621,984
Interest and rentals	852,563	1,034,713	1,056,958	1,351,570
Other	1,829,852	1,797,111	1,971,779	1,763,070
<b>Total revenue</b>	<b>10,660,832</b>	<b>11,614,927</b>	<b>12,745,649</b>	<b>13,713,603</b>
<b>Expenditures</b>				
Current:				
General government	2,020,235	2,157,279	2,654,375	2,786,765
Public safety	4,916,582	5,292,201	5,852,269	6,788,385
Planning and building	875,893	1,005,362	1,119,297	1,178,623
Public works	779,920	798,895	1,400,851	955,493
Community social services	81,372	37,329	96,970	130,785
Parks	542,481	263,125	360,988	431,110
Capital outlay	1,153,632	732,739	802,645	1,635,099
Debt service principal	50,000	55,000	60,000	65,000
Debt service interest	44,930	42,680	40,123	37,243
<b>Total expenditures</b>	<b>10,465,045</b>	<b>10,384,610</b>	<b>12,387,518</b>	<b>14,008,503</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>195,787</b>	<b>1,230,317</b>	<b>358,131</b>	<b>(294,900)</b>
<b>Other Financing Sources (Uses)</b>				
Issuance of debt	-	-	-	-
Sale of fixed assets	-	-	-	-
Transfers in	376,607	750,647	562,301	527,044
Transfers out	(376,607)	(750,647)	(562,301)	(527,044)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>195,787</b>	<b>1,230,317</b>	<b>358,131</b>	<b>(294,900)</b>
<b>Fund Balances - Beginning of year</b>	<b>3,602,235</b>	<b>3,798,041</b>	<b>5,028,358</b>	<b>5,386,489</b>
<b>Fund Balances - End of year</b>	<b>\$ 3,798,022</b>	<b>\$ 5,028,358</b>	<b>\$ 5,386,489</b>	<b>\$ 5,091,589</b>
Debt service as a percentage of noncapital expenditures	0.9%	0.9%	0.8%	0.7%

**Financial Trends**  
**Changes in Fund Balances, Governmental Funds**  
(Unaudited)

December 31					
2001	2002	2003	2004	2005	2006
\$ 4,699,081	\$ 5,204,451	\$ 5,624,458	\$ 5,641,737	\$ 6,027,556	\$ 7,644,192
1,534,603	1,150,828	882,336	818,361	1,123,472	953,336
362,798	247,638	113,770	276,872	403,257	51,763
2,569,570	2,412,189	2,169,801	2,048,750	2,029,620	2,008,623
1,345,299	1,314,574	1,103,710	1,116,037	1,155,681	1,139,588
477,838	488,842	448,330	478,545	502,196	534,369
408,462	278,632	188,209	104,108	143,516	124,379
1,068,457	666,525	659,151	624,359	760,860	614,421
<u>1,636,846</u>	<u>2,400,326</u>	<u>1,856,727</u>	<u>2,429,905</u>	<u>2,927,894</u>	<u>1,172,264</u>
14,102,954	14,164,005	13,046,492	13,538,674	15,074,052	14,242,935
3,147,826	2,894,741	2,778,001	2,914,831	2,995,556	2,992,189
7,121,177	7,526,768	7,627,082	8,001,008	8,341,650	8,615,415
1,126,086	1,057,781	1,028,106	1,016,087	899,607	895,970
963,841	-	-	-	-	-
143,076	96,774	163,558	225,623	162,366	65,669
638,296	234,912	246,550	287,328	353,065	271,395
886,307	2,247,905	1,823,003	2,652,003	6,084,903	6,043,256
70,000	70,000	119,494	166,146	174,105	257,175
<u>33,993</u>	<u>30,352</u>	<u>47,125</u>	<u>205,784</u>	<u>315,704</u>	<u>306,012</u>
14,130,602	14,159,233	13,832,919	15,468,810	19,326,956	19,447,081
(27,648)	4,772	(786,427)	(1,930,136)	(4,252,904)	(5,204,146)
-	-	1,173,773	6,000,000	-	995,000
-	-	-	-	-	2,000,000
127,852	267,528	301,482	1,737,001	1,159,946	2,342,680
<u>(127,852)</u>	<u>(267,528)</u>	<u>(301,482)</u>	<u>(1,737,001)</u>	<u>(1,159,946)</u>	<u>(2,342,680)</u>
-	-	1,173,773	6,000,000	-	2,995,000
(27,648)	4,772	387,346	4,069,864	(4,252,904)	(2,209,146)
<u>5,091,589</u>	<u>4,998,132</u>	<u>5,967,056</u>	<u>6,354,402</u>	<u>10,424,266</u>	<u>6,171,362</u>
<b><u>\$ 5,063,941</u></b>	<b><u>\$ 5,002,904</u></b>	<b><u>\$ 6,354,402</u></b>	<b><u>\$ 10,424,266</u></b>	<b><u>\$ 6,171,362</u></b>	<b><u>\$ 3,962,216</u></b>
0.7%	0.7%	1.2%	2.4%	2.5%	2.9%

## **Revenue Capacity**

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These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

# Charter Township of Plymouth

Tax Year	Fiscal Year Ended December 31	Taxable Value by Property Type					
		Real Property				Personal Property	Total Value
		Residential	Commercial	Industrial	Tax Abated		
1996	1997	\$ 680,753,499	\$ 60,620,310	\$ 124,490,786	\$ 53,933,940	\$ 133,992,181	\$ 1,053,790,716
1997	1998	718,886,190	80,297,250	142,621,044	74,405,480	147,463,080	1,163,673,044
1998	1999	774,491,347	81,269,310	162,536,620	76,958,954	180,880,910	1,276,137,141
1999	2000	833,822,265	93,603,910	170,083,350	89,868,940	206,519,070	1,393,897,535
2000	2001	915,065,670	97,356,870	194,691,655	109,017,830	222,725,600	1,538,857,625
2001	2002	1,003,644,980	104,153,620	219,200,480	97,142,304	217,798,910	1,641,940,294
2002	2003	1,076,593,290	113,900,970	238,212,870	108,930,260	214,833,838	1,752,471,228
2003	2004	1,116,965,790	116,748,599	267,492,187	89,628,270	218,590,040	1,809,424,886
2004	2005	1,164,579,849	125,033,365	284,295,261	103,778,700	230,142,858	1,907,830,033
2005	2006	1,213,596,955	134,280,330	298,255,476	107,306,010	243,988,510	1,997,427,281

Note: Under Michigan law, the revenue base is referred to as "taxable value." This amount represents assessed value (50 percent of true cash value), limited for each property by the lower of 5 percent or inflation.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year.

**Revenue Capacity**  
**Taxable Value of Township Property**  
(Unaudited)

Tax Rate (Mills)	Estimated Actual Value	Taxable Value as a Percentage of Actual
3.5900	\$ 2,041,356,354	51.6
3.5600	2,248,387,950	51.8
3.5600	2,515,205,160	50.7
3.4600	2,944,905,010	47.3
3.2000	3,317,933,300	46.4
3.2800	3,725,223,640	44.1
3.2694	4,004,403,636	43.8
3.2694	4,244,724,192	42.6
3.2694	4,499,231,672	42.4
4.0000	4,638,732,472	43.1

# Charter Township of Plymouth

Tax Year	Direct Tax Rates			Overlapping Tax				
	Operating	Debt	Total Direct Taxes	County	Plymouth District Library	Huron Clinton Metro Parks	Community College	Intermediate School District
1997	3.3200	0.2400	3.5600	7.9400	1.9300	0.2300	1.8600	2.0000
1998	3.3200	0.2200	3.5400	7.9400	1.8800	0.2300	1.8600	2.0000
1999	3.2900	0.1700	3.4600	7.9066	1.6650	0.2218	1.8500	2.0000
2000	3.2000	0.0000	3.2000	7.8574	1.8297	0.2202	1.8311	1.9789
2001	3.2800	0.0000	3.2800	7.8461	1.7962	0.2186	1.8193	1.9753
2002	3.2694	0.0000	3.2694	7.8220	1.7875	0.2170	1.8043	3.4643
2003	3.2694	0.0000	3.2694	7.8220	1.7838	0.2161	1.8024	3.4643
2004	3.2694	0.0000	3.2694	7.8220	1.7778	0.2154	1.7967	3.4643
2005	4.0000	0.0000	4.0000	7.8220	1.7549	0.2146	1.7967	3.4643
2006	4.0000	0.0000	4.0000	7.8220	1.5156	0.2146	1.7967	3.4643

Note: Michigan law restricts the maximum millage that may be levied by the Charter Township of Plymouth without a vote of our residents, as follows:

	Operating	Debt
2006	4.0100	no limit

**Revenue Capacity**  
**Tax Rate History of Direct and Overlapping Governments**  
(Unaudited)

<u>Rates</u>			<u>Total Tax Rate</u>	
<u>School Debt</u>	<u>School - Homestead</u>	<u>School - Non- homestead</u>	<u>Home- stead</u>	<u>Nonhome- stead</u>
2.1800	6.0000	18.0000	25.7000	43.7000
2.1800	6.0000	18.0000	25.6300	43.6300
3.4700	6.0000	18.0000	26.5734	44.5734
3.1500	6.0000	18.0000	26.0673	44.0673
3.4900	6.0000	18.0000	26.4255	44.4255
3.3000	6.0000	18.0000	27.6645	45.6645
3.1500	5.0000	18.0000	26.5080	44.5080
3.1000	6.0000	18.0000	27.4456	45.4456
3.4300	6.0000	18.0000	28.4825	46.4825
3.1500	6.0000	18.0000	27.9632	45.9632

# Charter Township of Plymouth

## Revenue Capacity Principal Taxpayers (Unaudited)

Taxpayer	2006 Taxable Value	2006 Rank	Percentage of Total	1997 Taxable Value	1997 Rank	Percentage of Total
Johnson Control	\$ 38,866,100	1	1.9	\$ 27,225,470	2	2.3
DeMattia Group	34,838,010	2	1.7	-	-	-
Automotive Components Holdings LLC	32,366,955	3	1.6	-	-	-
Tower Automotive	22,654,140	4	1.1	-	-	-
Catholic Archdiocese of Detroit	12,926,160	5	0.6	-	-	-
D R Group	12,229,980	6	0.6	-	-	-
Detroit Edison	11,120,150	7	0.5	9,374,230	6	0.8
AFL-CIO	9,707,080	8	0.5	-	-	-
Compuware Sport	9,561,910	9	0.5	11,556,430	4	1.0
Comcast Cablevision	8,062,970	10	0.4	-	-	-
Ford Motor Company	-	-	-	41,088,020	1	3.5
AO Smith Corp.	-	-	-	20,633,550	3	1.8
Unisys	-	-	-	10,026,050	5	0.9
Winklemans	-	-	-	5,483,300	7	0.5
Consumer Power	-	-	-	5,421,500	8	0.5
A-Line Plastics	-	-	-	4,129,420	9	0.4
Plymouth Inv Ltd	-	-	-	4,074,860	10	0.4
<b>Total</b>	<b><u>\$ 192,333,455</u></b>		<b><u>9.4</u></b>	<b><u>\$139,012,830</u></b>		<b><u>11.9</u></b>



# Charter Township of Plymouth

## Revenue Capacity General Fund Governmental Revenues by Function Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Current Collections (1)	Percent Collected		Amount	Percent of Levy
1997	\$ 4,006,651	\$ 3,878,895	96.81	\$ 104,734	\$ 3,983,629	99.43
1998	4,384,096	4,254,233	97.04	118,114	4,372,347	99.73
1999	4,670,844	4,516,722	96.70	122,426	4,639,148	99.32
2000	4,749,783	4,590,472	96.65	126,165	4,716,637	99.30
2001	5,226,089	5,064,629	96.91	120,493	5,185,122	99.22
2002	5,551,282	5,446,561	98.11	68,588	5,515,149	99.35
2003	5,769,041	5,669,666	98.28	79,130	5,748,796	99.65
2004	6,067,630	5,839,457	96.24	128,373	5,967,830	98.36
2005	7,774,815	7,558,601	97.22	172,348	7,730,949	99.44
2006	7,977,289	7,702,891	96.56	-	7,702,891	96.56

(1) Represents collections through the final distribution of taxes, including delinquent real taxes purchased by the county

(2) Represents all collections after the final distribution date, through the current date

## **Debt Capacity**

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These schedules contain information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

# Charter Township of Plymouth

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	1997	1998	1999	2000	2001
<b>Governmental Activities</b>					
General obligation bonds	\$ 765,000	\$ 710,000	\$ 650,000	\$ 585,000	\$ 515,000
Installment purchase agreements	-	-	-	-	-
Total	765,000	710,000	650,000	585,000	515,000
<b>Business-type Activities - General obligation bonds</b>	<u>20,537,755</u>	<u>19,795,873</u>	<u>19,201,414</u>	<u>18,424,326</u>	<u>17,817,905</u>
Total debt of the government	21,302,755	20,505,873	19,851,414	19,009,326	18,332,905
Taxable value	1,163,673,044	1,276,137,041	1,393,897,535	1,538,857,625	1,641,940,294
Ratio of total debt to taxable value	1.83%	1.61%	1.42%	1.24%	1.12%
Total population	25,493	26,163	27,087	27,798	28,443
Total debt per capita	\$ 836	\$ 784	\$ 733	\$ 684	\$ 645

**Debt Capacity  
Ratios of Outstanding Debt  
(Unaudited)**

2002	2003	2004	2005	2006
\$ 445,000	\$ 365,000	\$ 6,280,000	\$ 6,190,000	\$ 7,015,000
-	1,134,279	1,053,133	969,028	881,853
445,000	1,499,279	7,333,133	7,159,028	7,896,853
<u>35,635,032</u>	<u>35,470,672</u>	<u>35,146,661</u>	<u>33,917,924</u>	<u>32,445,511</u>
36,080,032	36,969,951	42,479,794	41,076,952	40,342,364
1,752,471,228	1,809,424,886	1,907,830,033	1,997,427,281	2,049,801,903
2.06%	2.04%	2.23%	2.06%	1.97%
28,585	28,783	28,033	28,170	27,107
\$ 1,262	\$ 1,284	\$ 1,515	\$ 1,458	\$ 1,488

# Charter Township of Plymouth

## Debt Capacity Ratios of General Bonded Debt Outstanding (Unaudited)

Fiscal Year	Tax-limited General Obligation Bonds	Other General Obligation Debt	Net General Bonded Debt	Taxable Value	Debt as a Percentage of Taxable Value	Population	Debt per Capita
1997	\$ 765,000	\$ -	\$ 765,000	\$ 1,163,673,044	0.07	25,493	\$ 30.01
1998	710,000	-	710,000	1,276,137,041	0.06	26,163	27.14
1999	650,000	-	650,000	1,393,897,535	0.05	27,087	24.00
2000	585,000	-	585,000	1,538,857,625	0.04	27,798	21.04
2001	515,000	-	515,000	1,641,940,294	0.03	28,443	18.11
2002	445,000	-	445,000	1,752,471,228	0.03	28,585	15.57
2003	365,000	1,134,279	1,499,279	1,809,424,886	0.08	28,783	52.09
2004	6,280,000	1,053,133	7,333,133	1,907,830,033	0.38	28,033	261.59
2005	6,190,000	969,028	7,159,028	1,997,427,281	0.36	28,170	254.14
2006	7,015,000	881,853	7,896,853	2,049,801,903	0.39	27,107	291.32

# Charter Township of Plymouth

## Debt Capacity Direct and Overlapping Debt (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Plymouth-Canton Schools	\$ 201,732,000	32.97	\$ 66,511,040
Wayne County	94,712,808	3.86	3,655,914
Plymouth District Library	4,740,000	80.89	3,834,186
35th District Court	837,500	100.00	<u>837,500</u>
Total overlapping debt			74,838,640
Direct Charter Township of Plymouth debt			<u>40,342,364</u>
Total direct and overlapping debt			<b><u>\$ 115,181,004</u></b>

# Charter Township of Plymouth

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	1997	1998	1999	2000
<b>Calculation of Debt Limit</b>				
State equalized valuation	\$1,124,193,975	\$1,257,602,580	\$1,472,452,505	\$1,658,966,650
10 percent of taxable value	112,419,398	125,760,258	147,245,251	165,896,665
<b>Calculation of Debt Subject to Limit</b>				
Total debt	21,302,755	20,505,873	19,851,414	19,009,326
Less debt not subject to limit:				
Installment purchase				
Water and sewer contractual obligation	<u>20,537,755</u>	<u>19,795,873</u>	<u>19,201,414</u>	<u>18,424,326</u>
Net debt subject to limit	<u>765,000</u>	<u>710,000</u>	<u>650,000</u>	<u>585,000</u>
<b>Legal Debt Margin</b>	111,654,398	125,050,258	146,595,251	165,311,665
<b>Net Debt Subject to Limit as Percent of Debt Limit</b>	0.68%	0.56%	0.44%	0.35%

**Debt Capacity  
Legal Debt Margin  
(Unaudited)**

2001	2002	2003	2004	2005	2006
\$1,862,611,820	\$2,002,201,818	\$2,122,362,096	\$2,249,615,836	\$2,319,366,236	\$2,418,625,355
186,261,182	200,220,182	212,236,210	224,961,584	231,936,624	241,862,536
18,332,905	36,080,032	36,969,951	42,479,794	41,076,952	40,342,364
17,817,905	35,635,032	1,134,279 35,470,672	1,053,133 35,146,661	969,028 33,917,924	881,853 32,445,511
<u>515,000</u>	<u>445,000</u>	<u>365,000</u>	<u>6,280,000</u>	<u>6,190,000</u>	<u>7,015,000</u>
185,746,182	199,775,182	211,871,210	218,681,584	225,746,624	234,847,536
0.28%	0.22%	0.17%	2.79%	2.67%	2.90%



## **Demographics and Economic Information**

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

# Charter Township of Plymouth

## Demographic and Economic Information Demographic and Economic Statistics (Unaudited)

Fiscal Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate
1997	25,493	(I)	(I)	1.30
1998	26,163	(I)	(I)	1.20
1999	27,087	(I)	(I)	1.20
2000	27,798	(I)	(I)	1.80
2001	28,443	(I)	(I)	2.20
2002	28,585	(I)	(I)	2.50
2003	28,783	(I)	(I)	2.70
2004	28,033	(I)	(I)	3.40
2005	28,170	(I)	(I)	2.90
2006	27,107	(I)	(I)	2.70

(I) Not available

# Charter Township of Plymouth

## Demographic and Economic Information Demographic and Economic Statistics (Unaudited)

Taxpayer	2006 Employees	Percentage of Total	1997 Employees	Percentage of Total
Johnson Controls	2,490	29.21	(I)	(I)
Automotive Components Holding	1,800	21.11	(I)	(I)
Unisys	1,200	14.08	(I)	(I)
Plymouth-Canton Community Schools	750	8.80	(I)	(I)
Key Plastics Inc.	500	5.87	(I)	(I)
Master Automatic	500	5.87	(I)	(I)
Tower Automotive	430	5.04	(I)	(I)
Metaldyne	350	4.11	(I)	(I)
Durr Industries	280	3.28	(I)	(I)
Frudenberg NOK	225	2.64	(I)	(I)
<b>Total</b>	<b>8,525</b>	<b>100.00</b>		

(I) Not available

# Charter Township of Plymouth

Function/Program	1997	1998	1999	2000	2001	2002
General government:						
Supervisors office	2.0	2.0	3.0	3.0	3.0	3.0
Human resources	1.0	1.0	1.0	1.0	1.0	1.0
Information services	5.5	5.5	5.5	3.0	3.0	3.0
Assessing	1.0	1.0	1.0	1.0	1.0	1.0
Clerks office	3.5	3.5	5.5	5.5	6.5	6.5
Treasurers office	3.0	3.5	3.5	3.5	3.5	3.5
Total general government	16.0	16.5	19.5	17.0	18.0	18.0
Public safety:						
Police	38.0	38.5	40.0	40.0	41.5	45.5
Fire and EMS	26.0	26.0	27.0	32.0	32.0	32.0
Building department	8.0	8.0	8.0	8.0	8.0	8.0
Public works:						
Waste management	1.0	1.0	1.0	1.0	1.0	1.0
Water and sewer	9.0	9.0	9.0	9.0	9.0	10.5
Public services	2.0	2.0	2.0	2.0	2.0	2.0
Community and economic development	2.0	2.0	2.0	2.0	2.0	2.0
Parks and recreation	2.7	2.7	2.7	2.7	2.7	2.7
Total	<u>104.7</u>	<u>105.7</u>	<u>111.2</u>	<u>113.7</u>	<u>116.2</u>	<u>121.7</u>

**Demographic and Economic Information**  
**Full-time Equivalent Government Employees**  
(Unaudited)

2003	2004	2005	2006
3.0	3.0	3.0	3.0
1.0	1.0	1.0	1.0
3.0	3.0	3.0	3.0
1.0	1.0	1.0	1.0
6.5	6.5	5.5	5.5
3.5	3.5	3.5	3.5
18.0	18.0	17.0	17.0
45.5	46.5	45.5	45.0
30.0	31.0	30.0	28.0
8.0	6.0	6.0	6.0
1.0	1.0	1.0	1.0
10.5	10.5	10.5	10.5
2.0	2.0	2.0	2.0
2.0	1.0	1.0	1.0
<u>2.7</u>	<u>2.7</u>	<u>2.7</u>	<u>2.7</u>
<b><u>119.7</u></b>	<b><u>118.7</u></b>	<b><u>115.7</u></b>	<b><u>113.2</u></b>

## **Operating Information**

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These schedules contain service and infrastructure data to help the reader understand how the information in the Township's financial report relates to the services the Township provides and the activities it performs.

# Charter Township of Plymouth

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Function/Program	1997	1998	1999	2000
Election data - Registered voters	(1)	20,001	(1)	20,023
District court - Number of court cases	-	-	-	-
Fire:				
Fire runs	940	925	939	781
Emergency medical runs	1,901	1,963	2,159	2,379
Water:				
Number of customers billed	(1)	(1)	(1)	(1)
Water consumed in gallons	1,317,349,000	1,549,767,000	1,643,230,000	1,423,454,000
Water and sewer rate (per 1,000 gallons) \$	3.44 \$	3.44 \$	3.44 \$	3.44 \$
Building, other permits, and licenses issued	4,118	5,458	6,066	6,473

(1) Not available

**Operating Information**  
**Operating Indicators**  
(Unaudited)

2001	2002	2003	2004	2005	2006
20,257	20,234	(1)	21,175	(1)	20,399
8,325	7,306	5,697	5,531	4,944	4,993
838	898	854	794	771	762
2,378	2,436	2,389	2,297	2,301	2,248
(1)	9,384	9,441	9,548	9,602	9,648
1,615,037,000	1,730,652,000	1,508,206,000	1,463,046,000	1,610,929,000	1,512,705
\$ 4.10	\$ 4.92	\$ 4.86	\$ 4.86	\$ 4.86	\$ 5.42
4,526	3,542	3,421	(1)	2,390	1,932



# Charter Township of Plymouth

Function/Program	1997	1998	1999	2000	2001	2002
<b>Police:</b>						
Stations	1	1	1	1	1	1
Patrol units	17	18	18	18	18	18
<b>Fire:</b>						
Stations	3	3	3	3	3	3
Fire response vehicles	5	5	5	5	5	5
Emergency response vehicles	4	4	4	4	4	4
<b>Public works:</b>						
Streets (miles):						143.5
Paved	(1)	(1)	(1)	(1)	(1)	137.5
Unpaved	(1)	(1)	(1)	(1)	(1)	6.0
Sidewalks	(1)	(1)	(1)	(1)	(1)	(1)
<b>Parks and recreation:</b>						
Acreage	102.0	102.0	112.5	112.5	112.5	112.5
Developed parks/playgrounds	3	3	3	4	4	4
Developed fields (soccer, baseball, etc.)	4	4	4	4	4	4
Golf course	1	1	1	1	1	1
Water - Mains (miles)	(1)	(1)	(1)	(1)	(1)	172
Sewer - Miles of sanitary sewers	(1)	(1)	(1)	(1)	(1)	140

(1) Not available

**Operating Information**  
**Capital Asset Statistics**  
(Unaudited)

2003	2004	2005	2006
1	1	1	1
20	20	20	18
3	3	3	3
5	5	5	5
4	4	4	4
143.5	143.5	143.5	143.5
137.5	139.5	139.5	140.0
6.0	4.0	4.0	3.0
(1)	(1)	(1)	(1)
112.5	112.5	112.5	112.5
4	5	5	5
4	6	6	6
1	1	1	1
172	174	175	176
140	140	140	141